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CURRENCY AND FINANCE



FOR THE YEAR

1962-63

BOMBAY

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REPORT

ON

CURRENCY AND FINANCE

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## PART I

### CHAPTER I : MAJOR ECONOMIC DEVELOPMENTS IN 1962-63

Developments in the Indian economy in the financial year 1962-63 fall clearly into two phases, with the Chinese invasion of the country's northern borders as the dividing line. The first phase covered roughly the six and a half months to mid-October and was marked by growing stresses resulting from the combined operation of natural factors, seasonal trends, developmental outlays and physical bottlenecks. In the second phase, which commenced with the national emergency and included roughly the five and a half months to the end of the year, the strains resulting from growing defence requirements were superimposed on developmental needs and called for a prompt readjustment of priorities in outlays and fresh approaches to the task of mobilising resources at a very much higher level than had been attained hitherto.

The first phase coincided, more or less, with the seasonal slack in finance, with the unfavourable half year for exports, with a temporary slowing down of the inflow of external assistance, and with the lean period rise in the prices of agricultural commodities. In this phase too, the bottlenecks arising from shortages of steel, power, transport, coal and raw materials, which had been in evidence in the second half of 1961, continued. Notwithstanding the buoyancy of tax and non-tax receipts, there was substantial recourse to deficit financing. Inflationary pressures gathered strength during this phase and various steps were taken in the attempt to curb them as much as possible.

The second phase, in contrast, covered the financial busy season, the better half year for exports, and a period of larger inflow of foreign aid, rising industrial production and growing budgetary expenditure and receipts. Price trends by and large continued to reflect tensions in the system, and physical controls as well as price and monetary controls were tightened to meet the growing pressures. In this phase, the stock market witnessed landslides on two occasions and a new policy for gold was initiated. Towards the end of 1962-63, with the introduction of the 1963-64 budgets, the country was provided with a combination of measures which would, over the long-term, enable it to meet in a realistic fashion the entirely changed economic situation since the commencement of the emergency. An unprecedented programme of taxation was put through in the effort to meet the massive increase in expenditure resulting from a huge programme of defence build-up and larger developmental outlays. This foreshadows an era of austerity which should in time strengthen the foundation of both national security and rising living standards.

#### GROWING DEVELOPMENTAL PRESSURES

The usual pressure on prices which sets in with the agricultural lean season started towards the end of the previous financial year. Between March 24, 1962 and August 4, the price level rose by 7.1 per cent and the seasonal decline thereafter to December 15, which was associated with the harvesting and marketing of crops, was slow and appreciably smaller at 4.7 per cent. In 1961-62, the seasonal rise in

the early part of the year was only 3.1 per cent and the subsequent decline was about 6 per cent, which more than wiped out the earlier rise. The relatively smaller seasonal rise in 1961-62 was principally due to the bumper foodgrains harvest in 1960-61 and expectations of an all-time record crop in jute for 1961-62. The sharper seasonal rise in early 1962-63 was traceable to the absence of any improvement in the performance of agricultural output in the previous year; there was a slight decline in foodgrains production in 1961-62 over 1960-61 which was more or less offset by a small rise in commercial crops. There was during this period, from late March to early August 1962, a marked rise (12 per cent) in the prices of food articles particularly rice, jowar, pulses and gur whose output had fallen during the 1961-62 agricultural season. For the first six and a half months of 1962-63, prices of food articles rose by 9.0 per cent as against 3.8 per cent in the corresponding period of 1961-62 (Table 2). The index of industrial raw materials, particularly of raw jute and oilseeds, went up by 3.1 per cent during this period on apprehensions of lower output of these commodities in the 1962-63 agricultural season as compared to the preceding one. In the corresponding period of 1961-62, the index of industrial raw materials had fallen sharply by 13.8 per cent, because of the abundance of the cotton crop in 1960-61 and the expected record jute crop in 1961-62 (Table 3). The index of manufactures also went up by 2.3 per cent; in 1961-62 it had fallen by 1.2 per cent. The other sub-groups in the wholesale price index too showed considerable deterioration. Thus there was growing concern over the price situation even before the declaration of the emergency.

Table 1. Wholesale Prices (1952-53=100)

	PERCENTAGE VARIATION BETWEEN						
	April 1, 1961	March 31, 1962	October 21, 1961	October 20, 1962	April 1, 1961	March 31, 1962	
	and October 21, 1961	and October 20, 1962	and March 31, 1962	and March 30, 1963	and March 31, 1962	and March 30, 1963	
All Commodities	...	- 1.4	+ 5.7	- 1.2	- 2.0	- 2.6	+ 3.6
Food Articles	...	+ 3.8	+ 9.0	- 2.4	- 4.3	+ 1.3	+ 4.3
Liquor and Tobacco	...	-11.7	+ 1.7	- 0.7	+12.5	-12.3	+14.5
Fuel, Power, Light and Lubricants	...	+ 0.2	+ 1.6	+ 0.5	+10.4	+ 0.7	+12.1
Industrial Raw Materials	...	-13.8	+ 3.1	+ 0.4	- 2.6	-13.4	+ 0.4
Manufactures	...	- 1.2	+ 2.3	- 0.2	+ 0.2	- 1.4	+ 2.5

Not only were there pressures arising from the failure of agricultural production to expand in the 1961-62 season, but, as mentioned earlier, the physical bottlenecks in basic sectors of the economy were still in operation, though they appeared to be easing somewhat owing to the measures taken to resolve them. To these bottlenecks were added the shortages of raw materials, both domestic and imported, the latter owing mainly to a more restrictive import policy consequent

upon the deterioration in the foreign exchange situation. Till practically after the declaration of the emergency the growth in industrial output during 1962 was a little behind the growth in the corresponding period of 1961. In the first nine months of 1962 the rate of growth was 6.9 per cent as against 10.7 per cent in the corresponding period of the previous year.

In the financial sphere, the contraction in money supply during the slack season of 1962 (end-April to end-October) was only about two-thirds of the contraction in the 1961 slack season (Rs. 63 crores as against Rs. 98 crores); but between end-March and mid-October the contraction amounted to only Rs. 5 crores as against Rs. 81 crores in the corresponding period of 1961. Net bank credit to the government sector which was an expansionary factor in the first six and a half months of 1961-62, was even more expansionary in the corresponding period of 1962-63, while net bank credit to the private sector exerted a smaller contractionist influence than in the earlier period. In both years, the balance of payments deficit, resulting in a large drop in net foreign exchange assets (Table 4), acted as a sizeable deflator of the money supply. It was thus clear that deficit financing in the wider meaning of net bank credit to the Government sector was enlarging the money supply at a considerably faster rate than in the corresponding period of 1961. The trends in scheduled bank credit also pointed in the direction of an increase in inflationary pressures; for the contraction in this item in the first phase of 1962-63 (Rs. 33 crores) was much smaller than the contraction in the corresponding period of 1961-62, and the security-wise classification of advances showed that the smaller contraction of bank credit was due to the larger increase in credit extended against non-seasonal securities and in unsecured advances. At the same time, aggregate deposits of the banks were growing rapidly at a rate which was substantially higher than in the corresponding period of 1961 (Rs. 144 crores as against Rs. 102 crores). The accretion to deposit resources permitted sizeable investments (Rs. 101 crores against Rs. 103 crores) in government securities (despite the slow seasonal return-flow of funds) and thus contributed to larger net bank credit to the public sector (Table 5).

Monetary policy was tightened, following the appreciable rise in prices in the first quarter of 1962-63 together with the small contraction in money supply and an unseasonal rise in bank credit. The Reserve Bank, on July 2, introduced a modification in the three-tier system of lending rates increasing them to four tiers, which in effect meant a raising of the average cost of lending by  $\frac{1}{2}$  per cent. This measure put the banks on notice that they should as a matter of prudence bring down their advances portfolio in order that they may be able the better to meet the requirements of the busy season later in the year from their own resources. Simultaneously, the Government of India emphasised the move to dearer money by the issue of government loans at interest yields which were roughly  $\frac{1}{2}$  per cent higher. The response to the new government loans was better than in the previous year; as against an offer of Rs. 250 crores the subscriptions were Rs. 257 crores while in 1961-62 the subscriptions amounted to Rs. 203 crores as against an offer of Rs. 194 crores. The subscriptions to the State loans were better still for as against an offer of Rs. 93.5 crores the response was Rs. 109 crores while in 1961-62 the

subscriptions were Rs. 92 crores as against an offer of Rs. 80 crores. The new pattern of interest rates, together with the seasonal return-flow of funds and the accretion to bank deposits, accelerated the adjustment to higher yields in the government securities market—a process which had been in operation since October 1960 when the new slab system of lending rates by the Reserve Bank came into effect.

The equity market, which had witnessed boom conditions since the beginning of 1958, was on the whole generally buoyant for the first two months of the year. Thereafter, the bullishness was damped by the major crash in the share market on Wall Street towards the end of May and the uncertainty of foreign aid for the Third Plan following the postponement of Aid India Club meeting scheduled for the end of May. However, it was the announcement early in September of steel retention prices lower than those recommended by the Tariff Commission coupled with fears of a substantial increase in taxation (partly because of the enhanced Plan outlay for the year and partly owing to Chinese troop concentrations on the northern borders) started a distinctly bearish tendency which gathered strength as the year progressed. The share index declined by 6.8 per cent between the end of March and the middle of October 1962. The new issue market, however, did better during

Table 2. Wholesale Prices of Food Articles (1952-53=100)

	PERCENTAGE VARIATION BETWEEN					
	April 1, 1961	March 31, 1962	October 21, 1961	October 20, 1962	April 1, 1961	March 31, 1962
	and October 21, 1961	and October 20, 1962	and March 31, 1962	and March 30, 1963	and March 31, 1962	and March 30, 1963
<b>Food Articles</b>	...	+ 3.8	+ 9.0	- 2.4	- 4.3	+ 1.3
<b>1. Cereals</b>	...	+ 3.7	+ 6.5	- 1.8	- 5.0	+ 1.9
(a) Rice	...	+ 7.6	+ 10.6	- 4.9	- 2.5	+ 2.4
(b) Wheat	...	- 0.3	- 1.2	+ 3.1	- 5.9	+ 2.8
(c) Jowar	...	- 0.9	+ 13.3	+ 9.2	- 21.8	+ 8.2
(d) Bajra	...	+ 0.5	- 1.5	- 4.2	- 6.5	- 3.6
<b>2. Pulses</b>	...	+ 1.4	+ 27.4	+ 0.2	- 14.6	+ 1.7
<b>3. Milk and Ghee</b>	...	+ 4.6	+ 3.9	+ 1.4	+ 2.0	+ 6.1
<b>4. Edible Oils</b>	...	- 10.0	+ 4.5	+ 2.4	- 10.7	- 7.8
<b>5. Sugar</b>	...	-	+ 3.4	-	+ 8.9	- 1.7
<b>6. Gur</b>	...	+ 7.3	+ 47.4	+ 1.1	- 13.7	+ 8.5
						+ 27.2

this period than in the corresponding period of 1961, the new issues\* amounting to Rs. 42.5 crores against Rs. 34.1 crores.

During the first quarter of 1962-63, the balance of payments was subjected to severe strain, because there was hardly any untied foreign aid available for balance of

\* Data which relate to non-Government public limited companies have been collected from the financial press and are by no means exhaustive.

payments purposes and because there was a slowing down of the inflow of aid committed for specific projects. In the second quarter there was appreciable improvement but the position for the two quarters taken together showed considerable strain. Resort had to be taken to assistance from the I.M.F. by drawing an instalment of Rs. 12 crores of the stand-by credit. In the first quarter of 1961-62 some untied aid had been available to support the reserves and in the second quarter net drawings from the I.M.F. had amounted to Rs. 58 crores. The first half of 1962-63 was also the lean season for exports which was somewhat more unfavourable than in the first half of 1961-62 and the deterioration in net payments for debt servicing continued. Imports too, though every effort was made to reduce them, were still higher than in the previous half year when both government and private accounts contributed to the increase; they were also higher than in the first half of 1961-62, the increase being on government account, since imports on private account were reduced. The result was a fall in the reserves of nearly Rs. 52 crores between April and September, 1962.

Towards the end of this first part of the year, gold prices were also affected because gold was brought under the purview of the Industries (Development and Regulation) Act, 1951, and because of apprehensions that this was a prelude to stringent governmental measures to control trading in gold, to check gold smuggling and to mobilise gold hoards. The price of gold which had touched an all-time peak of Rs. 129.90 per ten grammes on August 29 witnessed a gradual decline thereafter which was accelerated with the gold policy adopted after the declaration of the emergency.

The brief review of developments during the first part of the year from the beginning of April to the mid-October indicates that, all in all, this was a period in which there was an increase in inflationary pressures, resulting mainly from enhanced developmental outlays. Prices rose more sharply than usual for this time of the year and money supply and bank credit declined more slowly. Monetary and credit measures were adopted to curb these pressures and increasing consideration was being given to measures to control prices, to increase output and exports, and to mobilise resources. While these were being considered the Chinese invasion began.

#### THE EMERGENCY AND AFTER

With the onset of the emergency high priority was naturally given to the problem of controlling prices, because resources had to be allocated in substantial measure to higher expenditure on defence while maintaining the tempo of the development effort. The government appealed for the co-operation of the public, both of traders and consumers, and the initial response was both spontaneous and generous. For the purpose of holding the price line in regard to essential commodities, Government adopted a series of measures, which aimed primarily at maintaining the prices of those commodities at a reasonable level by a massive programme of increasing the number of consumer stores and fair price shops all over the country. In some instances, powers were taken to control the stocks of commodities and to regulate their distribution; wheat and sugar were thus released to areas where the price increase was sharp. The prices of commodities such as steel, cement, coal and paper continued to be administered by Government and woollen fabrics were added

to this list, and towards the end of the year, in order to prevent profiteering, powers were taken to regulate the prices of essential articles, particularly those on which fresh taxes had been levied. At the same time, the policy of giving incentives to cultivators was also adopted to step up their production by ensuring them minimum prices, e.g., procurement prices for rice and support prices for jute, wheat and sugarcane. Larger imports of wheat, rice and cotton were also arranged to supplement domestic supplies. To prevent profiteering the licensing control on wholesalers of foodgrains was tightened and the help of associations of foodgrains dealers was invoked to regulate their members' activities and trading practices.

Table 3. Wholesale Prices of Industrial Raw Materials and Manufactures  
(1952-53=100)

	PERCENTAGE VARIATION BETWEEN					
	April 1, 1961	March 31, 1962	October 21, 1961 and October 21, 1961	October 20, 1962 and October 20, 1962	April 1, 1961 and March 31, 1962	March 31, 1962 and March 30, 1963
Industrial Raw Materials	...	-13.8	+3.1	+0.4	-2.6	-13.4
1. Fibres	...	-24.6	+2.1	-0.4	+3.6	-24.9
(a) Cotton Raw	...	-4.5	-0.7	+5.3	+6.7	+0.5
(b) Jute Raw	...	-40.4	+5.0	-3.3	-0.3	-42.4
2. Oilseeds	...	-8.9	+7.2	-1.3	-9.9	-7.7
(a) Groundnut	...	-17.7	-2.6	+10.4	-6.1	-9.2
Manufactures	...	-1.2	+2.3	-0.2	+0.2	-1.4
1. Intermediate Products	...	+3.3	+6.8	-3.5	-6.0	-0.3
2. Finished Products	...	-2.0	+1.4	+0.4	+1.4	-1.6
(a) Cotton Manufactures	...	+0.4	+1.2	-0.1	+4.1	+0.3
(b) Jute Manufactures	...	-19.0	-9.4	-1.9	-5.4	-20.6

In the fiscal field the government introduced supplementary demands for grants for defence totalling Rs. 95 crores and at the same time intensified its drive to mobilise resources. Immediately after the declaration of the emergency, government instituted the National Defence Fund to channelise voluntary contributions in cash, gold and other forms. Early in November, 6½% Gold Bonds 1977 were issued, subscription to which was accepted in gold, gold coin and/or gold ornaments valued at the international price of gold; but certain tax concessions were granted and subscribers would not have to declare the origin of the gold tendered. Further 12-Year National Defence Certificates with a higher rate of interest of 4.75 per cent compound and 6.25 per cent simple (as against 4.25 per cent compound and 5.41 per cent simple on the old 12-Year National Plan Savings Certificates) were issued to replace the earlier series. The 10-Year Defence Deposit Certificates fetching the investor an annual tax-free interest of 4½ per cent (as against only 4 per cent

fetched by the earlier Treasury Savings Deposit Certificates) were issued in substitution of the earlier series. Simultaneously, the Government put on sale, effective November 10, 1962, the 4½ per cent National Defence Bonds, 1972 with a view to raising resources for national defence. Government also introduced a new series of Prize Bonds called the Premium Prize Bonds, 1963 carrying better terms than the series which was on sale between April 1960 and June 1962. The total amount obtained from all these sources as also by way of War Risks Insurance Premia is estimated at Rs. 148 crores, by the end of March 1963; of this, the voluntary contribution to the National Defence Fund alone accounted for Rs. 47 crores. Owing largely to the mopping up of these resources by the Government, the expansion in money supply was held in check.

The busy season of 1962-63 began somewhat later than usual, and the demand for credit from the public gathered momentum from the last week of December 1962. The expansion in credit from mid-October 1962 to the end of March 1963 was larger than in the corresponding period of 1961-62, despite the late start and the slower initial speed. The inflationary pressures during the first phase of the year's developments together with the possibility of their aggravation by the demands of the emergency led the Reserve Bank, on the eve of the busy season, to revise, and in the process to simplify its four-tier system of lending rates. At the end of October, the Bank reduced the existing tiers to three, and, for the first time, regulated the availability of credit to banks by fixing a ceiling for such accommodation. In the operation of this policy, there was a considerable measure of flexibility to ensure at all times that the genuine needs of industry and trade were met and that the needs of the preferred sectors, namely, exports, small-scale industries and co-operatives were duly taken care of. On January 2, 1963, the Bank rate was raised from 4 per cent to 4½ per cent and the system of lending rates was further simplified by reducing the slabs to two. In view of this increase and the strength of the seasonal pressures on credit, money rates hardened; for instance, the call rate at the peak of the season in March touched 6½-6¾ per cent. The growth in deposit resources of the banks slowed down, partly under seasonal stress and partly due to the mopping up of purchasing power by the Government, giving rise to acute stringency in the money market, larger recourse to Reserve Bank credit, some inflow of banking funds from abroad and liquidation of investments by banks themselves.

The lean period rise in prices, referred to earlier, was only partly offset by the post-harvest fall. Between August 4 and mid-November prices ruled on a plateau, fluctuating mildly, and the seasonal fall took place thereafter. After the middle of December, prices again started rising gently so that the decline in prices from mid-October to end-March was only 2 per cent. The rise in prices of certain commodities in March, particularly of tobacco, liquor and fuel, was due to the enhancement of levies in the 1963-64 budget.

Under the impact of the emergency, industrial production went up perceptibly. In November and December the increase was much above that in the corresponding months of 1961, and so for the year 1962 the rate of growth was about the same (7.3 per cent) as in 1961. This improvement, which has, on available indications, continued into 1963 also, was largely due to the efforts made to resolve the

bottlenecks, referred to earlier, and to better utilisation of capacity and partly to additions to manufacturing capacity and better co-operation from labour, particularly after the emergency.

The pressure on the balance of payments seasonally eased during this part of the year. In the last quarter of 1962 the draft on the reserves was nominal (Rs. 2 crores) and in the first quarter of 1963 there was a large addition to the reserves (Rs. 52 crores), which more or less wiped out the loss in reserves during the first three quarters of the year. Exports are expected to show a substantial seasonal rise, particularly because the earlier seasonal fall was also heavy. On available indications, the inflow of foreign assistance improved during the second half of 1962-63 and the reserves were helped to an appreciable extent by a large inflow of banking funds.

Table 4. Variations in Money Supply

(Rupees Crores)

	Between 31-3-61 and 20-10-61	Between 30-3-62 and 19-10-62	Between 20-10-61 and 30-3-62	Between 19-10-62 and 29-3-63	BETWEEN March 61 and March 62	BETWEEN March 62 and March 63
1. Currency with the Public .	- 87	- 25	+191	+201	+104	+177
2. Deposit Money ...	+ 6	+ 20	+ 66	+ 69	+ 71	+ 89
3. Money Supply with the Public (1+2) ...	- 81	- 5	+257	+270	+175	+266
<b>Factors Affecting Money Supply</b>						
A. Net Bank Credit to Government Sector* ...	+101	+151	+177	+126	+279	+277
B. Net Bank Credit to Private Sector* ...	-140	-131	+124	+230	- 17	+ 99
C. Net Foreign Exchange Assets ...	- 31	- 45	- 25	+ 15	- 57	- 30
D. Others (increase-) ...	- 11	+ 20	- 19	-101	- 30	- 80

\* Adjusted for P.L. 480 and P.L. 665 Funds.

The stock market almost throughout this period was extremely bearish. On November 5, there was a landslide in prices necessitating a temporary suspension of business by two of the major Stock Exchanges in the country. The occasion for this landslide was the decision of the National Development Council to step-up taxation steeply to meet the combined needs of defence and development. Although there was some improvement in December and the market was steadyng up a bit in January and February the budget proposals at the end of February led to another landslide in share prices. These developments led to all the stock exchanges in the country taking regulatory measures to relieve the bear pressure. The index of share prices declined by 10.8 per cent during the five and a half months to March 1963.

The declaration of the emergency, issue of Gold Bonds, ban on forward trading in gold, legislation for providing deterrent punishment for gold smuggling and ministerial appeals to desist from purchasing the yellow metal resulted in a sharp drop in gold prices to a low of Rs. 86 by November 24. By mid-December, however, they had gone up again to Rs. 115.25. The Gold Control Rules came into force on January 9, 1963, the object of which is to dampen the public demand for gold and thus to induce a decline in price and to check gold smuggling. Individuals and institutions had to declare their holdings of gold (other than gold ornaments) within 30 days; the time limit was extended by 20 days. Gold refiners and dealers were also brought within the orbit of the Rules. A Gold Board was set up on January 10 to administer the Rules. The immediate impact of the Gold Control Rules was a fall in gold prices to Rs. 102.75; but by the third week of February they were up again to Rs. 106. At the end of the year, they had temporarily reacted to Rs. 97.

The Government of India budget for 1963-64 introduced on February 28, 1963 is unprecedented among the post-Independence budgets. The expenditure estimates swelled with a steep rise in estimates for defence expenditure on top of a substantial increase in 1962-63. The budgeted defence expenditure for 1963-64 is Rs. 363 crores higher than the revised estimates for 1962-63, and the revised estimates were Rs. 192 crores higher than the actuals for the preceding year 1961-62. Planned outlay inclusive of assistance to the States was raised from Rs. 1107 crores in 1962-63 (B.E.) to Rs. 1226 crores in 1963-64. (B.E.). Thus, the additional expenditure for both defence and development in 1963-64 is no less than Rs. 610 crores above that in 1962-63 (B.E.).

Expenditure on revenue account is placed higher by Rs. 334 crores and disbursements on capital account by Rs. 262 crores in 1963-64, as compared to the revised estimates for 1962-63, and these were respectively Rs. 462 crores and Rs. 375 crores more than in the budget estimates for 1962-63. Such a huge increase in expenditure would obviously affect developments in the Indian economy in 1963-64 in no small measure.

Secondly, in tune with this increase in expenditure budgetary resources have been stepped up substantially and the tax programme for the year is a massive one estimated to net in as much as Rs. 260 crores or somewhat in excess even of what had been obtained by fresh taxation in the four preceding years combined. The various measures relate to an increase in income and corporation taxes, as well as in customs and excise. The income and corporation taxes would bring in about Rs. 66 crores, excise Rs. 112 crores and customs duties about Rs. 80 crores. The tax proposals seem to have combined a variety of objectives, viz., fiscal, monetary and balance of payments. Also for the first time an element of compulsion has been introduced in regard to savings through the Compulsory Deposit Scheme, which is estimated to bring in Rs. 60 crores.

Again, for the first time, import tariffs have been raised for the specific purpose of easing the pressure on the balance of payments as also for encouraging the domestic production of import substitutes, by strengthening the operation of control over imports and by siphoning off into the Exchequer some part of the

profits which accrue to the middlemen owing to the disparity between the cost of imports and domestic prices for them. Duties have also been enhanced on kerosene, motor spirit and diesel oil with the direct object of reducing consumption and keeping down the import bill on these items. In order to develop exports a rebate of taxes on profits was granted for the first time last year. This rebate has been continued in 1963-64 and for the first time a further rebate of taxes, equal to 2% of the value of exports, has been allowed. The enhanced direct taxes on individuals would keep down their purchasing power and mark a step in the direction of an incomes policy. The excise net has been cast deeper in order to spread the burden to those who would not fall within the purview of direct taxation. The scheme of Compulsory Deposits would help to spread the savings habit. There has thus been a deliberate attempt in the budget for 1963-64 to keep down aggregate demand and to limit the magnitude of deficit financing. The overall budgetary gap of Rs. 454 crores on the basis of existing taxation has been reduced to Rs. 181 crores. Thus, the budget for 1963-64 represents a bold attempt to maintain the tempo of development and to meet the needs of defence without generating inflationary pressures.

Table 5. Scheduled Bank Data

(Rupees Crores)

	Between 31-3-61 and 20-10-61	Between 30-3-62 and 19-10-62	Between 20-10-61 and 30-3-62	Between 19-10-62 and 29-3-63	March 61 and March 62	March 62 and March 63	BETWEEN
1. Aggregate Deposits ...	+102	+144	+123	+ 49	+225	+192	
2. Borrowings from Reserve Bank of India ..	- 82	- 52	+ 40	+ 70	- 42	+ 18	
3. Bank Credit ...	- 90	- 33	+179	+213	+ 88	+280	
4. Investments in Government Securities ...	+103	+101	- 6	- 42	+ 98	+ 59	
5. Cash Reserves ...	+ 19	+ 15	- 12	- 12	+ 7	+ 2	

Note : Figures are exclusive of P.L. 480 and P.L. 665 Funds both in respect of deposits and investments in Government securities.

The States too on their part have stepped up their plan outlay by Rs. 40 crores over the 1962-63 figures which were themselves Rs. 110 crores above those for 1961-62. They have also tried to reduce their budget deficit for 1963-64 by resort to taxation estimated to yield an additional Rs. 33 crores during the current year. More than a third of the total increase in States taxation is from sales-taxes and excise, and if the motor vehicles tax is included more than half of the additional resources will be under these three heads. During 1963-64 the States will benefit from Rs. 1009 crores transferred by the Centre to them; of this Rs. 230 crores will be through shared taxes, Rs. 238 crores by way of grants and Rs. 541 crores in the form of loans. In 1962-63 they amounted to Rs. 982 crores. The amount to be transferred in 1963-64 will be nearly two and a half times that transferred in 1955-56.

## OVERALL POSITION IN 1962-63

Taking the financial year 1962-63 as a whole, there have been several developments of importance which deserve special mention. In the first place, as mentioned earlier, to the difficulties occasioned by the stepping up of the developmental outlays were added the new and large requirements of defence. The brunt of the defence expenditure was not fully felt in 1962-63, but the necessity for steep increase in expenditure led to a drive for mobilising resources to keep inflationary pressures in check. For 1963-64, additional taxation in substantial measure has been resorted to for mobilising resources to match the increased outlays.

The price level, notwithstanding the decline in the second part of the year, went up by 3.6 per cent during 1962-63 as against a decline of 2.6 per cent in 1961-62. The rise was, however, smaller than in 1960-61 (6.3 per cent) or in 1959-60 (5.9 per cent) or in 1958-59 (5.7 per cent). The price rise in 1962-63 has taken place in all the groups; among the major groups, the rise is largest in food articles and manufactures have also gone up appreciably. The concern over the price rise during the year necessitated the adoption of a series of measures for holding the price line in check.

Under the stresses of the emergency industrial output has gone up due to a combination of factors mentioned earlier, but agricultural output is expected at best to be, if at all, only modestly better than in 1961-62.

Money supply with the public went up by Rs. 266 crores over 1962-63 as against Rs. 209 crores (after adjusting for the withdrawal of special currency from Kuwait to the extent of Rs. 34 crores) in the previous year. Contributing to these were net bank credit to the Government sector and net bank credit to the private sector with one difference that the former was just nominally smaller than in the previous year while the latter changed from a contractionist influence (Rs. 17 crores) in 1961-62 to an expansionary one (Rs. 99 crores) in 1962-63. Changes in foreign exchange assets and other factors influencing money supply were contractionist in both years; but they were more contractionist in 1962-63 (Rs. 110 crores) than in 1961-62 (Rs. 87 crores). In these circumstances monetary policy continued to be tightened during the year both in regard to the cost of credit and more latterly its availability. The growth of deposit resources of scheduled banks was impeded with the onset of the emergency and for the year as a whole bank deposits grew at a smaller rate than the previous year (Rs. 192 crores as against Rs. 225 crores). But bank credit expanded sharply from Rs. 88 crores in 1961-62 to Rs. 180 crores in 1962-63 and resulted in a smaller accretion to their investment portfolio (Rs. 59 crores) as compared to 1961-62 (Rs. 98 crores) and recourse to accommodation from the Reserve Bank changed from a net repayment of Rs. 42 crores in 1961-62 to an increase in outstandings by Rs. 18 crores in 1962-63.

The pattern of interest yields was on the increase throughout the year and facilitated the mobilisation of resources by the Government. Private capital issues were higher for the year as a whole than in the preceding year although for a few months after the commencement of the emergency several issues were held off the market.

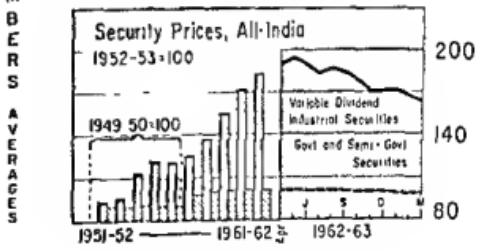
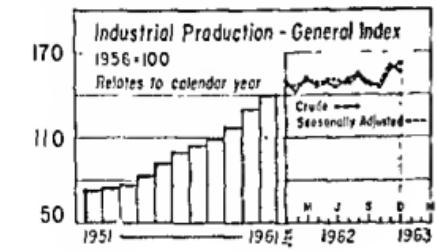
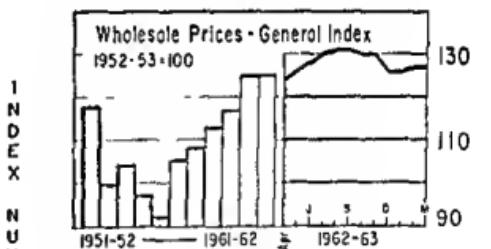
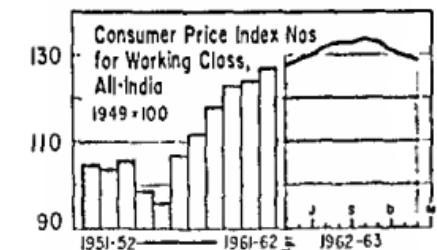
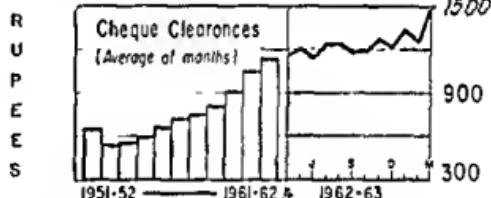
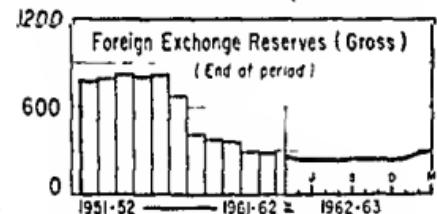
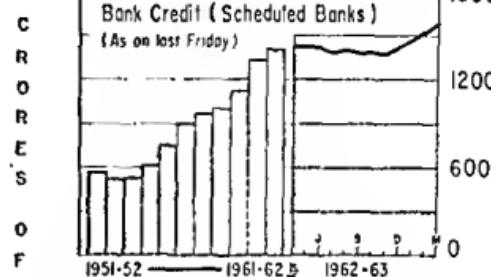
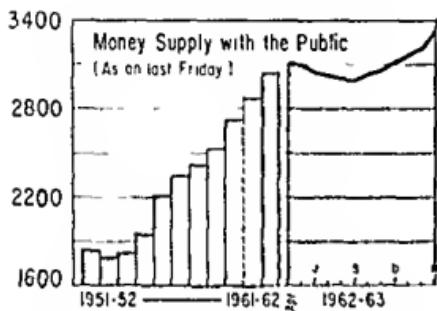
Despite the anxiety caused in the first quarter of 1962-63, the balance of payments was better over the year than in 1961-62 in that the draft on the reserves was slightly smaller (Rs. 2 crores as against Rs. 6 crores) even though only Rs. 12 crores were drawn from the I.M.F. stand-by credit whereas in the previous year the net drawings on the I.M.F. amounted to Rs. 58 crores. Exports for the three quarters of 1962-63 were only slightly bigger than in the corresponding period of 1961-62; and on present indications it would appear that exports during 1962-63 would fall short of the target of Rs. 720 crores. The increase during April-December 1962 was in fact entirely due to the inclusion in the statistics of exports from Goa, Daman and Diu; without this contribution exports would have been Rs. 8 crores less than in the corresponding period of 1961. Imports were restricted but the needs of development pushed them up. Given the servicing of foreign loans, net payments on invisibles are expected to be increasingly negative, despite the travel restrictions imposed since June 1962, and more recently the anti-smuggling measures, the Gold Control Rules and other restrictions. But for the large inflow of banking capital in the second half of 1962-63 the balance of payments picture would have been less satisfactory than it is.

The overall budgetary position of the Centre and States taken together shows a marked deterioration during 1962-63 as compared with the original estimates for that year, owing to the outlays on defence and development; the overall gap widened considerably from Rs. 156 crores to Rs. 347 crores. In the case of the Centre, the budgetary gap widened both on revenue and capital accounts, despite increased buoyancy in tax as well as non-tax revenues, satisfactory market borrowings and substantial additions to resources from new sources initiated immediately following the emergency; and this was due to larger disbursements on defence and increased assistance to States on the one hand and shortfalls in receipts from foreign loans and small savings on the other. In the case of the States also, there were sizeable deficits both on revenue and capital accounts, although the overall gap narrowed down somewhat from Rs. 66 crores to Rs. 59 crores, mainly because of the larger assistance from the Centre.

In the Union Budget for 1963-64 the total expenditure bill is anticipated to go up by about Rs. 595 crores over the year. On the resources side, in an endeavour to avoid a resurgence of inflationary pressures and to restrict the overall deficit to a reasonably safe limit, the budget makes a determined effort at resource mobilisation which is anticipated to yield Rs. 276 crores to the Centre and Rs. 65 crores to the States. The tax policy has imposed a measure of austerity among the various sections of the community. The States in general have also made a significant effort at raising additional resources and effecting economy in expenditure. As a result, the overall deficit of the Centre and States combined has been reduced substantially from Rs. 347 crores in 1962-63 to Rs. 223 crores in 1963-64 (Budget).

GRAPH 1

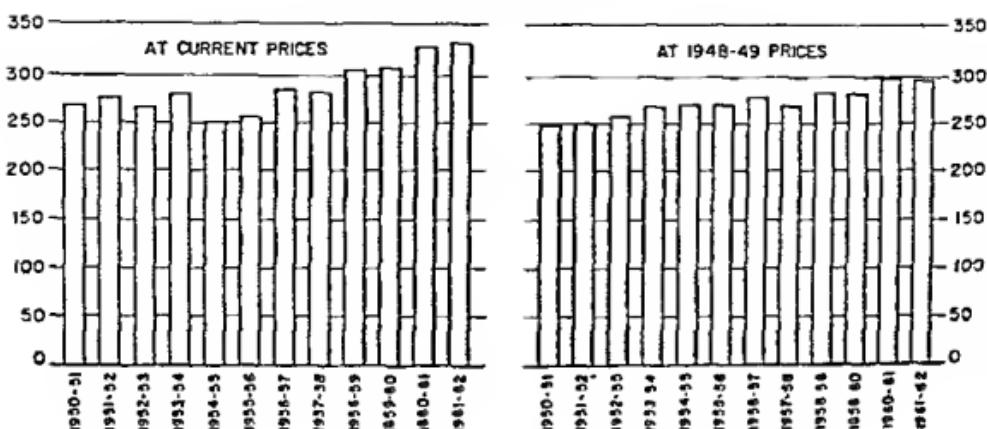
## SELECTED ECONOMIC INDICATORS



First Plan    □    Second Plan    □    Third Plan    □

GRAPH 2

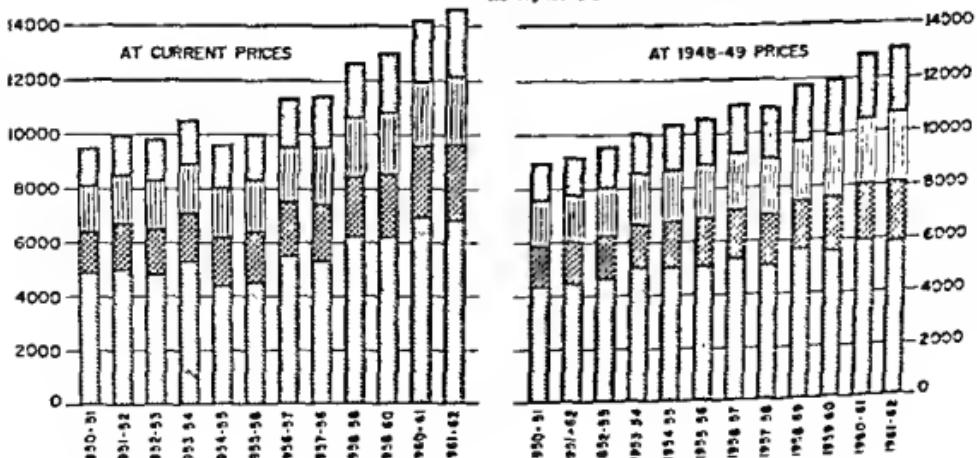
**PER CAPITA NATIONAL INCOME  
(RUPEES)**



GRAPH 3

**NATIONAL INCOME BY INDUSTRIAL ORIGIN  
(CRORES OF RUPEES)**

- Other Services
- Commerce, Transport and Communications
- Mining, Manufacturing and Small Enterprises
- Agriculture



## PART II

### CHAPTER II: PRODUCTION

Agricultural production in the crop year 1961-62, with the adverse weather conditions, was maintained at the record level attained in 1960-61. During 1962-63, insufficiency of rain and its uneven distribution and floods are reported to have caused considerable damage to the kharif as well as rabi crops in various parts of the country. Even so, the outlook for these crops appears, on the whole, satisfactory. The performance on the agricultural front this year, as in the previous year, seems to indicate that the various agricultural programmes, including the intensive schemes of cultivation, have increasingly provided a cushion against the vagaries of the monsoon. The tempo of industrial production which, after a striking advance in 1960, had tended to slow down during 1961 and the major part of 1962, seemed to be picking up in the closing months of 1962, following the declaration of the emergency, which was in some measure facilitated by the larger availability of basic supplies like coal, steel, power and transport, sizeable addition to installed capacity and increased utilisation of existing capacity in a number of industries. For the year 1962 as a whole, the rate of growth was about the same as in 1961. The rate of growth in national income, at constant prices, for 1961-62 recorded a significant drop, primarily because of the absence of any overall increase in the principal sector, namely, agriculture.

#### AGRICULTURAL PRODUCTION

The index of agricultural production, which had risen by 8.9 per cent to 139.9 in 1960-61, remained at the same level in 1961-62. In 1962-63, despite adverse weather conditions as in 1961-62, the overall prospects for agricultural output appear to be satisfactory.

*Foodgrains:* Although the acreage under foodgrains was slightly higher in 1961-62, the output at 79.8 million tonnes was slightly lower by 1.4 per cent as compared to the record crop of 81 million tonnes in 1960-61. The production of cereals in 1961-62 was practically at the same level as in 1960-61, with rice almost maintaining the record level and wheat establishing a new record at 11.8 million tonnes. The production of jowar, however, declined by 17 per cent to 7.8 million tonnes. The production of pulses at 11.7 million tonnes in 1961-62 was also lower by 7.8 per cent.

Data on outturn for the 1962-63 crop year are not yet available. According to preliminary official estimates, the area under major cereals and pulses, such as rice, wheat, jowar and gram, is estimated to be slightly larger than in 1961-62. The output of rice is likely to show a fall, but an improvement in other cereals is expected. On the whole, it would appear that the production of foodgrains during 1962-63 may be somewhat larger than that in 1961-62.

*Cotton:* Production of cotton, which had reached a record level of 53.25 lakh bales in 1960-61, declined sharply by 16.5 per cent to 44.45 lakh bales in 1961-62,

mainly due to unfavourable climatic conditions in important cotton growing tracts, viz., Gujarat, Madhya Pradesh and Maharashtra. The output during 1962-63, however, is expected to be substantially higher at 56 lakh bales as a result of an increase in area coupled with favourable weather conditions, though it would still fall short of the target fixed for the year (57.10 lakh bales). In order to step up cotton production, a package programme for intensive cultivation of cotton was introduced in nine important cotton growing States and fifteen blocks of 15,000 to 45,000 acres each were selected for 1962-63. The programme was, however, only partially executed during the year since the sanction for it was secured late.

Aggregate mill consumption of cotton (both Indian and foreign), which had increased by 3.30 lakh bales to 53.73 lakh bales in 1960-61 (September 1960 to August 1961), increased further to a record level of 56.88 lakh bales in 1961-62. This rise was wholly under Indian cotton. The consumption of Indian cotton, which had fallen from 43.65 lakh bales in 1959-60 to 42.46 lakh bales in 1960-61, increased to 47.09 lakh bales in 1961-62. The consumption of foreign cotton, however, declined from 11.27 lakh bales to 9.79 lakh bales in 1961-62. During the first six months of the 1962-63 season—September 1962 to February 1963—aggregate consumption declined from 28.65 lakh bales to 27.95 lakh bales. The consumption of Indian cotton by mills was lower at 22.49 lakh bales as compared to 23.17 lakh bales in the corresponding period of last year. The consumption of foreign cotton also declined slightly by 0.03 lakh bales to 5.45 lakh bales.

**Jute:** Production of jute, which had risen to a new high in 1961-62—even slightly surpassing the Third Plan target of 62.5 lakh bales—dropped sharply during 1962-63. The acreage under jute and mesta during 1962-63 recorded a fall of 8 and 10 per cent, respectively, over the previous year, mainly due to the low prices of the fibres in the previous season and insufficient rains at the time of sowing. The decline in area coupled with adverse weather conditions during the crop period brought about a fall of 15 per cent and 10 per cent in the production of jute and mesta, respectively, to 54 lakh bales and 15 lakh bales in 1962-63, as against a record crop of 64 lakh bales and 17 lakh bales, respectively, during 1961-62. At the same time, mill consumption is expected to rise to about 73 lakh bales in 1962-63 from 65 lakh bales in 1961-62, owing mainly to Indian Jute Mills Association member mills maintaining the maximum level of production during the year. Despite lower production and higher mill demand the overall supply position of raw jute remained very comfortable.

**Oilseeds:** The output of major oilseeds (groundnut, rape and mustard, sesamum, linseed and castorseed) registered a rise of 4.7 per cent from 6.6 million tonnes in 1960-61 to 6.9 million tonnes in 1961-62, owing mainly to the increase in area and partly due to favourable weather conditions. Among the major oilseeds, production of groundnut, linseed, castorseed and sesamum increased by 4.9 per cent, 0.5 per cent, 13.5 per cent and 15.8 per cent, respectively, in 1961-62. The output of rape and mustard, however, registered a decline of 3.7 per cent.

In 1962-63 (according to available estimates), while the area under groundnut increased by 3.4 per cent, the production declined by 2 per cent to 4.6 million tonnes owing mainly to early cessation of the monsoon in Gujarat and Madhya Pradesh.

The area under rape and mustard, and sesamum showed increases of 10.3 per cent (first estimate) and 5.2 per cent (third estimate), respectively, during 1962-63 as compared with the corresponding adjusted estimates for 1961-62. The area under linseed was, however, slightly lower by 0.2 per cent, as compared to last year.

In pursuance of the decision taken in February 1960 by the Indian Central Oilseeds Committee, a package programme for increasing the production of groundnut through the use of improved seeds, fertilizers, plant protection, irrigation, demonstration and credit facilities was introduced in 1962-63 in five States, namely, Andhra Pradesh, Madhya Pradesh, Madras, Maharashtra and Uttar Pradesh; Gujarat and Mysore would also be implementing this programme in due course. The programme aims at covering an area of 1.8 lakh acres during the Third Five Year Plan and is expected to result in additional production of 40 per cent in the area covered by the project.

*Sugarcane:* In contrast to a sharp increase in 1960-61, sugarcane production (in terms of gur) declined by 6.8 per cent to 9.9 million tonnes in 1961-62 despite an increase in area under sugarcane by 2.6 per cent. The fall in production is ascribed to adverse weather conditions during the crop period. In 1962-63, according to the second estimate, the area under sugarcane shows a fall of 7.8 per cent from the corresponding adjusted estimate for 1961-62.

*Tea\**: The output of tea, which had increased by 10.4 per cent in 1961, declined by 2.8 per cent to 344.4 million kgs. in 1962. The crop in North India, particularly in Assam and North Bengal, declined by 4.1 per cent mainly due to adverse weather conditions, but the fall was partly offset by a rise of 1.3 per cent in the output in South India. A reference was made in last year's Report to the introduction by the Government of a scheme called the Tea Plantation Finance Scheme to provide long-term finance for tea gardens for the purpose of replanting, replacement and extension of old tea areas; details of the progress made under the Scheme are given in Chapter V. Exports of tea continued to rise, the total exports during 1962 being 214.0 million kgs. as against 205.3 million kgs. in 1961 and 195.1 million kgs. in 1960.

*Coffee†*: Production of coffee during 1962-63, estimated provisionally at 54,000 tonnes, recorded a rise of 17.9 per cent over the corresponding estimate of 45,800 tonnes in 1961-62. The tentative export allocation out of the 1962-63 crop is 21,300 tonnes as compared to 20,000 tonnes allocated for export out of the 1961-62 crop.

*Tobacco*: In 1961-62 production of tobacco at 3.44 lakh tonnes was 10.4 per cent higher than in 1960-61 (3.12 lakh tonnes). The increase was attributed to a rise of 3.6 per cent in area together with favourable climatic conditions during the growing period of the crop.

#### INDUSTRIAL PRODUCTION

During the major part of the year 1962, industrial production expanded at a somewhat slower rate than in the corresponding period of 1961; but in the last

\* Based on the data supplied by the Tea Board.

† Based on the data supplied by the Coffee Board.

two months of the year there was a distinct improvement in the rate of growth; on balance, for the year as a whole, industrial output rose at about the same rate (7.3 per cent) as in 1961. The average general index of industrial production (base: 1956=100) rose from 129.8 in 1960 to 139.3 in 1961 and to 149.5 in 1962. The order of growth in 1962 was, however, fractionally higher than the average rate of growth during the Second Plan period (7.1 per cent on the revised basis), though in the last two years of the Plan the rate was exceptionally high at 10-11 per cent. The overall increase in output during 1962 was rendered possible, *inter alia*, by (i) greater availability of basic supplies, such as coal, steel, power and transport, (ii) improved supply of raw jute and (iii) appreciable additions to capacity coupled with an improvement in the utilisation of the existing installed capacity in a number of industries. The national emergency has necessitated a reorientation of the industrial pattern, with the highest priority being accorded to industries having a direct bearing on defence efforts.

The increase in the overall industrial output during 1962 was shared by almost all the major industries except matches, silk textiles and synthetic fibres, sugar and tea which showed noticeable declines. Output expanded at a faster rate during 1962 than in 1961 in the case of jute and woollen textiles, finished steel, aluminium, coal and paints, varnishes and lacquers.

Among *capital goods* industries, there was a higher rate of growth in output during 1962 in storage batteries (7.0 per cent as against 3.7 per cent in 1961), automobiles (6.4 per cent as against 4.2 per cent) and dry cells (11.8 per cent as against 2.9 per cent). As against this, output of power transformers, railway wagons and power driven pumps rose at a lower rate (viz. 32.5 per cent, 32.3 per cent and 2.9 per cent, as compared to 38.5 per cent, 41.0 per cent and 19.5 per cent respectively), and that of diesel engines fell by 7.4 per cent as against a rise of 2.9 per cent in 1961.

In *Intermediate goods*, the average index for jute textiles improved substantially by 22.4 per cent in 1962 in contrast to a fall of 9.7 per cent in 1961. A noticeably faster rate of growth in output was recorded in paints, varnishes and lacquers (13.2 per cent as against 8.5 per cent), finished steel (32.2 per cent as against 28.9 per cent) and coal (9.7 per cent as against 6.6 per cent). The increase in output in paper and paper boards was about the same as in 1961 (5 per cent) but was smaller in pig iron and ferro-alloys (16.6 per cent as against 19.2 per cent), fertilisers (10.4 per cent as against 14.0 per cent) and cement (4.1 per cent as against 5.1 per cent).

Among *consumer goods* industries, larger increases were recorded in vanaspati (9 per cent as against 0.4 per cent), sewing machines (12.1 per cent as against 3.4 per cent) and electric lamps (24.8 per cent as against 13.3 per cent). The output of matches, however, suffered a set-back, falling by 26.4 per cent in 1962 as against a rise of 13.2 per cent in 1961. The index for cotton cloth (mill sector) showed no change during 1962; it had fallen by 2.1 per cent in 1961.

During the year, there was a further broadening of the industrial base through additions to existing capacity, the diversification of industries into related fields of

manufacture and the establishment of entirely new ranges of production. Substantial additions to capacity were made during 1962 in a number of industries, such as tyres and tubes, aluminium, caustic soda and cables and wires, as a result of which their output went up. Production of several items commenced for the first time in the country; among them were formaldehyde, heavy water, tyre cord yarn, polyester resins, transistors and diodes, permanent magnets, microscope slides and punch-card sorters.

Production trends in some of the more important industries are noticed in somewhat greater detail in the following paragraphs.

*Jute manufacturers:* The jute industry, assured of a plentiful supply of raw material following the exceptionally good raw jute crop during the 1961-62 season, was able to dispense with restrictions on production, such as curtailment of working hours and compulsory sealing of looms, and worked to full capacity almost throughout the year. As a result, production of jute goods, which had suffered a setback during 1961 because of inadequate supplies of raw jute, recorded a marked improvement, rising from 9.7 lakh tonnes in 1961 to 11.8 lakh tonnes in 1962—an increase of 22 per cent in 1962 as against a decline of 10.5 per cent in 1961. The rising trend in the output of jute goods has also continued during the first quarter of 1963 and this trend is expected to be maintained in view of the comfortable supply position of raw jute during 1962-63. Output of jute goods at 3.02 lakh tonnes during January-March 1963 was by 18,000 tonnes higher than in the corresponding period of 1962. The higher level of output of jute goods was accompanied by increased offtake, both internal and external. Despatches of jute goods for internal consumption during 1962 placed at 3.03 lakh tonnes were higher by 24,900 tonnes when compared to those in 1961, and those for exports improved from 7.1 lakh tonnes in 1961 to 8.5 lakh tonnes.

A reference was made in the last Report to the modernisation and expansion programme of this Industry; the programme has been almost completed upto the spinning stage. About 80 per cent of the fine yarn capacity and 90 per cent of the coarse yarn capacity needed to feed the standard hessian and sacking looms have been modernised. Mills are at present modernising their winding sections and will follow this up by installing automatic looms. Meanwhile, standard looms are being rendered semi-automatic by fitting crop loaders to them. Further, in order to enable the jute mills to diversify their production and secure new markets for wide hessian, Government have decided to grant licences under the Industries (Development and Regulation) Act for installation of a large number of broad looms for wide hessian production. Government have also decided to freely permit further expansion of spinning capacity (above that necessary to match the weaving capacity on a single-shift basis) so as to match the increased demand for jute goods in the Third Plan.

*Cotton textiles:* During most of the year, the cotton textile industry was confronted with the problem of inadequate supplies of raw cotton which was to some extent alleviated by larger imports of cotton. Hence, output of both yarn and mill-made cloth fell during 1962; production of cotton yarn in 1962 (860 million kgs.) was only slightly lower than in 1961 (862 million kgs.) but the output of cloth (mill-made) was substantially lower at 4,560 million metres in 1962 as against 4,694 million

metres in 1961; an additional factor responsible for lower output of mill-made cloth was the increased diversion of yarn to the decentralized sector. Imports of raw cotton amounted to 8 lakh bales during the 1961-62 cotton season as against 11 lakh bales in 1960-61. Notwithstanding the operation of several export incentive schemes, the export performance of cotton piecegoods was disappointing. The volume of exports of cotton piecegoods, which had fallen from 635 million metres in 1960 to 524 million metres in 1961, fell further to 446 million metres in 1962. Although the output of mill-made cotton cloth was lower during 1962, this was to some extent offset by an increase in the output in the decentralised sector. Since exports from this sector were also lower during the year, the total availability of cotton cloth for domestic consumption would appear to have been more or less maintained around the 1961 level.

As an export promotion measure and as part of their policy of assisting the industry in its modernisation and expansion programme, the Government decided to permit replacement of plain looms by automatic looms (7,500 out of a Third Plan target of 25,000 looms) provided the mills undertake to export 50 per cent of their production at the rate of 13,333 yards per loom per year and give a bank guarantee for the fulfilment of the obligation. Allotments for replacement have already been issued in respect of 6,672 looms.

Further, because the existing installed machinery in a majority of the units is old, the modernisation programme of the textile industry has been accorded a high priority. Within the limited foreign exchange available, the highest priority is given to the import of capital goods, accessories and components required for the manufacture of textile machinery. Imports are allowed under cash ceilings, credits, reserve credits and also loans given by the ICICI. To ensure that the quality of indigenous machinery conforms to international standards, a textile machinery inspectorate is being set up.

**Coal:** Production of coal at 61.6 million tonnes during 1962 very nearly touched the target of 62.08 million tonnes fixed for 1962-63, and represented a rise of 9.8 per cent over the level for 1961. The marked improvement in the rate of growth in coal output during 1962, which almost equalled the rate of growth (10 per cent) in 1960, was facilitated by the increased availability of transport and power; the bottlenecks in these sectors had affected the production and movement of coal during 1961. Another contributory factor was the working of the mines every day of the week since the declaration of the emergency. There was a distinct improvement in the rail transport facilities for the movement of coal. As a result, stocks at pitheads were substantially lower throughout 1962 as compared to those in 1961. The approved outlay on the Third Plan programme of the railways has been raised in order to specifically meet the needs of coal movement; details of which are given in Chapter VI. The movement of coal is being progressively rationalised primarily with a view to reduce wagon turn round time by about 20 per cent. A revised system of coal distribution has been introduced from February 1963 under which 70 per cent of the coal despatches from West Bengal/Bihar will be in block rakes only, and, to the extent possible, in box type wagons.

The Third Plan target of coal output which was fixed at 97 million tonnes is likely to be raised. The National Coal Development Corporation has already processed most of the programmes for the additional production of 17 million tonnes allotted to it and has reached a stage where large-scale orders for equipment can be placed. The foreign exchange component of the private sector expansion has been covered by the World Bank loan of \$35 million; applications for utilisation of this loan have been received and several collieries have placed orders for the import of equipment. Following representations regarding the difficulties of obtaining matching rupee finance to avail of the World Bank loan, the Government approved in March 1963 a scheme for the partial guarantee on loans to private sector coal industry by credit institutions in the country; this will help enlarge the supply of institutional credit to the industry. In addition, the Government decided to allow private coal producers to develop coal mines in areas which are not contiguous to their existing mines, and to extend financial assistance to collieries, if necessary, for increasing production. An incentive was provided to coal miners by allowing price increases ranging from 38 nP. to Rs. 1.50 per tonne for the various grades of coal. Government have also under consideration (i) the introduction of a scheme for incentive bonus to collieries and (ii) provision of financial assistance through the National Industrial Development Corporation to coal companies which, due to lack of rupee finance, are unable to put through their expansion programmes.

*Pig iron and ferro-alloys:* The slowing down in the rate of growth in the output of pig iron and ferro-alloys noticed during 1961 continued during 1962. Production of pig iron and ferro-alloys at 58 lakh tonnes in 1962 showed an increase of 17 per cent as against a rise of 19 per cent in 1961 and 35 per cent in 1960. Of the total production, pig iron for sale accounted for 9.7 lakh tonnes, the public sector projects contributing 7.2 lakh tonnes. On the other hand, the demand for pig iron has been rising at a much faster rate, resulting in a countrywide shortage of pig iron, particularly of the foundry grade type. A series of measures are being taken to conserve and augment the production of pig iron. These include (i) the issue of a directive to both public and private sector producing units to work to full capacity, (ii) the import of pig iron from the Soviet Union and (iii) the request to the railways to restrict the use of pig iron by using concrete sleepers and to the foundries to use more scrap.

*Finished steel:* Production of saleable finished steel rose from 2.8 million tonnes in 1961 to 3.8 million tonnes or by 33 per cent as compared to a rise of 29 per cent in 1961 and 25 per cent in 1960. Demand for steel has also risen progressively necessitating the continuance of imports of nearly one million tons of iron and steel. Following the declaration of the emergency in October 1962, the steel industry was geared to defence production. Among the public sector steel plants, the Bhilai Steel plant, which had already attained full production in 1961, worked in excess of its full capacity (1.1 million tons). The Durgapur plant reached the capacity rate of production of ingot steel by January 1963 and the Rourkela plant in March 1963. Export of a sizeable quantity of finished steel was permitted in order to import certain steel items urgently required for defence production without incurring additional foreign exchange expenditure. The Government also allowed an

increase in the retention prices of steel in view of the recent increases in rail freight rates and statutory price of coal.

*Cement:* Cement output rose from 82.5 lakh tonnes to 85.9 lakh tonnes in 1962 or by 4.1 per cent as against 5.1 per cent in 1961. The increase in output came mainly through better utilisation of the existing capacity, since the addition to installed capacity was small. In December 1962, the industry was reported to be working to full capacity as against 90 per cent earlier; the output of cement advanced from an average of 0.7 million tonnes per month in the first 10 months to 0.87 million tonnes in December. Ostake was also substantially larger as reflected in stocks with producers which fell from 176,600 tonnes at the end of January 1962 to 148,300 tonnes at the end of December 1962. The demand for cement, both for capital expansion and construction activity, was substantially larger than the available supplies; the situation was aggravated by shortages of wagons and this led to scarcity of cement for some time particularly in the West Bengal, Bihar and Assam regions, and also in Madras and Delhi, as also to some difficulties for other States in obtaining their quarterly quotas in time. In order to bring about equitable distribution of cement, the Government of India advised State Governments in April 1962, to determine the priority of different demands for cement and to reintroduce such control measures as might be necessary. Following the gearing of the production and distribution of cement to meet the increased defence requirements, a series of measures were taken to step up production, to effect economy in its use and to prevent the adulteration of this commodity. On January 22, 1963 the Government announced an incentive scheme for stepping up of production under which a cement producer raising production in 1963 above the highest level achieved by him during the previous three years would be eligible to an extra payment ranging from Rs. 2.50 to Rs. 5.50 per tonne on the additional production. In early 1963, the Government of India announced its decision to cut the quota allocations to States by 25 per cent during the quarter January-March and also to reduce by 10 per cent the allocations for non-defence requirements of the Central Ministries. On November 30, 1962, the Government of India declared cement to be an 'essential commodity' and prohibited the manufacture or sale of any variety of cement not conforming to the standards laid down by the Indian Standards Institution.

*Engineering and metallurgical industries:* Among the engineering and metallurgical industries, further increases in production were recorded in most of the items during the year. As regards light mechanical industries, a substantial rise in production was noticed in items such as ball-bearings, typewriters, sewing machines, hurricane lanterns, bicycles, zip fasteners, leaf springs, etc. Punch-card sorters were manufactured for the first time in the country. In the electrical engineering group, production of electric lamps, fluorescent lamps, miniature lamps, radio receivers, gramophones, air-conditioners, water coolers, refrigerators, house-service meters, electrical steel sheets, power-cables, gears, etc. showed a marked improvement. Production of radio sets was stepped up by using more indigenous components like transistors and diodes, polyester capacitors, paper cones and loud-speakers. A decline in output was, however, recorded in the case of bare-copper conductors owing to the switchover from bare-copper conductors to aluminium conductors,

to save foreign exchange spent on the import of copper. The pace of progress in most of the metallurgical industries was satisfactory within the limited foreign exchange facilities for raw materials.

*Chemical Industries:* The chemical industries maintained a satisfactory level of output, despite foreign exchange shortage, the production of sulphuric acid, soda ash, sodium bicarbonate, industrial explosives, safety fuses, polystyrene, potassium permanganate and antibiotics recording considerable increases. The output of aspirin, vitamin B 12 and sodium hydrosulphite nearly doubled and that of nitrogen gas and argon gas went up by 60-70 per cent. New items like streptomycin, anti-histamines and certain tranquilisers were produced for the first time in the country. A scheme was licensed for the manufacture of picolines which is the raw material for a number of essential drugs.

*Sugar:* Production of sugar during the 1961-62 season (November to October), which was regulated under the Sugar (Regulation of Production) Act, 1961, with fixed quotas for individual factories (following the sharp increase in output to 29.83 lakh tonnes in 1960-61 season, stagnant demand and accumulation of large stocks) came to 27.06 lakh tonnes—a fall of 2.77 lakh tonnes or over 12 per cent over the 1960-61 level. There was a significant increase in the internal demand, and the off-take of sugar from factories for internal consumption rose from 21.67 lakh tonnes in 1960-61 to 26.28 lakh tonnes in 1961-62. Besides, there was a larger offtake of 3.38 lakh tonnes from sugar factories for export. Even so, with a carryover of 12.21 lakh tonnes from 1960-61, the total supply position during 1961-62 was comfortable. At the end of October 1962, the factories were left with a stock of about 10.20 lakh tonnes. With the commencement of the 1962-63 crushing season, the Government withdrew the restrictions on the production of sugar; notwithstanding this, the production is expected to show a further decline to about 23 lakh tonnes in the 1962-63 season. The anticipated drop in production would be the combined result of a reduction in the sugarcane crop, as stated earlier, and the increased diversion of sugarcane for the manufacture of khandsari and gur whose prices have risen sharply during 1962. To arrest this diversion of sugarcane, mills have been advised to pay higher prices than the minimum prices payable to the growers. In the Punjab, steps were taken under the Punjab Sugarcane (Regulation of Purchase and Supply) Act, to direct all cane growers within specified areas to sell their entire sugarcane crop to sugar mills. Further, a better balance between availability of wagons for gur and sugar has been secured and care is being taken to ensure that the transport of gur does not secure any preferential advantage.

Commitments for export of about 4.33 lakh tonnes of sugar during 1963 have already been made. A programme for manufacture of about 2.5 lakh tonnes of raw sugar has been formulated in consultation with the Indian Sugar Mills' Association and Indian Sugar Technologists.

#### TRENDS IN NATIONAL INCOME

According to preliminary estimates, national income or net national output at factor cost, at 1948-49 prices, is placed at Rs. 13,020 crores for 1961-62 which shows

a modest rise of only 2.1 per cent over the level of Rs. 12,750 crores (revised) for 1960-61. This order of increase was noticeably smaller than the average annual rate of growth of 3.4 per cent and 4.1 per cent in the First and Second Plan periods, respectively. The rise in national income during 1961-62 came mainly from sectors other than agriculture; this was in contrast to the all-round improvement in agricultural as well as non-agricultural sectors in 1960-61, when the national income recorded a striking increase of 7.5 per cent. The *per capita* national income (at constant prices), which had shown a rise of 5.2 per cent in 1960-61 at Rs. 293.7, showed almost no change during 1961-62 at Rs. 293.4. Sectorwise, the increase of Rs. 270 crores in national income during 1961-62 was distributed under mining, manufactures and small enterprises (Rs. 90 crores or 4.3 per cent), commerce, transport and communications (Rs. 70 crores or 2.8 per cent) and other services—professions and liberal arts, government services (administration), domestic services and house property—(Rs. 170 crores or 7.3 per cent). The contribution of agriculture, animal husbandry and ancillary activities was lower by Rs. 30 crores or 0.6 per cent. The share of the agricultural sector has shown a moderate but steady decline from 47.7 per cent in 1958-59 to 45.0 per cent in 1961-62.

Expressed at current prices, national income in 1961-62 worked out to Rs. 14,630 crores or Rs. 470 crores (3.3 per cent) higher than in 1960-61 (revised). *Per capita* income at current prices also showed a moderate increase from Rs. 326.2 in 1960-61 to Rs. 329.7 in 1961-62.

1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61*	1961-62†
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Net output in  
Rs. abjat

1. At Current prices	99.7	98.2	104.8	96.1	99.8	113.1	113.9	126.0	129.5	141.6	146.3
	... (+ 4.6)	(- 1.5)	(+ 6.7)	(- 8.3)	(+ 3.9)	(+ 13.3)	(+ 0.7)	(+ 10.6)	(+ 2.8)	(+ 9.3)	(+ 3.3)
2. At 1948-49 prices	91.0	94.6	100.3	102.8	104.8	110.0	108.9	116.5	118.6	127.5	130.2
	... (+ 2.8)	(+ 4.0)	(+ 6.0)	(+ 2.5)	(+ 1.9)	(+ 5.0)	(- 1.0)	(+ 7.0)	(+ 1.8)	(+ 7.5)	(+ 2.1)

Per capita net output in Rs.

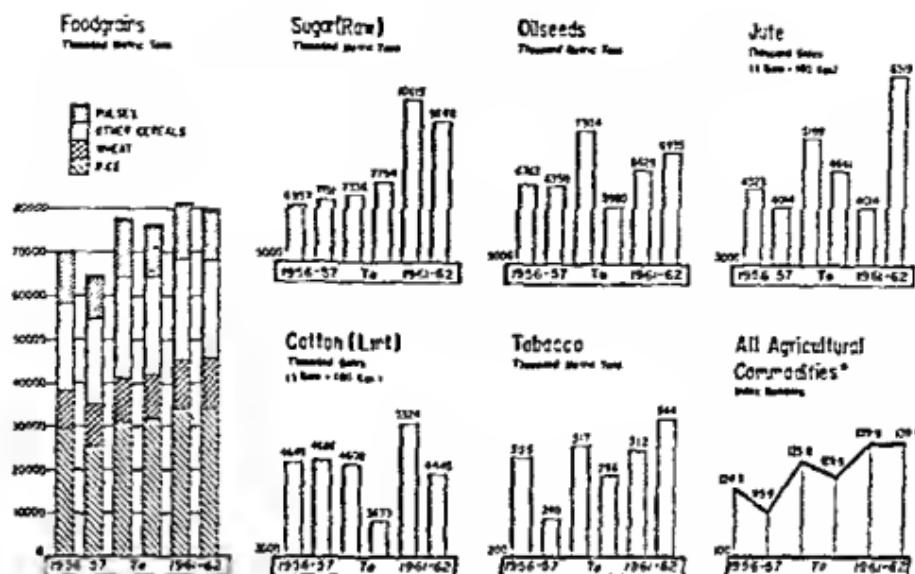
3. At Current prices	274.2	265.4	278.1	250.3	255.0	283.3	279.6	303.0	304.8	326.2	329.7
	... (+ 2.9)	(- 3.2)	(+ 4.8)	(- 10.0)	(+ 1.9)	(+ 11.1)	(- 1.3)	(+ 8.4)	(+ 0.6)	(+ 7.0)	(+ 1.1)
4. At 1948-49 prices	250.3	255.7	266.2	267.8	267.8	275.6	267.3	280.1	279.2	293.7	293.4
	... (+ 1.1)	(+ 2.2)	(+ 4.1)	(+ 0.6)	(-)	(+ 2.9)	(- 3.0)	(+ 4.8)	(- 0.3)	(+ 5.2)	(- 0.1)

Note A: Figures in brackets relate to percentage variations over the previous year.

Note B: In respect of national income for 1959-60 and 1960-61, the method of estimation has been revised by the adoption, for the first time, of the results of the random sample crop-cutting surveys in respect of sugarcane in Uttar Pradesh. The other new features include mainly (1) the scaling down of the adjustment factor (from 2 per cent to 1.5 per cent for non-funder reporting of agricultural areas) in view of the continuous increase in the coverage of agricultural statistics during the past few years, (2) revision of estimates of net output of forestry sector in the light of latest available data and (3) revisions in the per head earnings of the gainfully occupied persons in small enterprises, other commerce and transport, professions and liberal arts and domestic service. For the estimates at 1948-49 prices certain changes are introduced; for example, in respect of factory establishments, use was made of the revised series of index numbers of industrial production with 1956 as base which has a much wider coverage compared to the earlier series with 1951 as base. The figures of foodgrains production from 1959-60 onwards and those of sugarcane output from 1960-61 onwards are not strictly on a comparable basis with those for the earlier years.

GRAPH 4

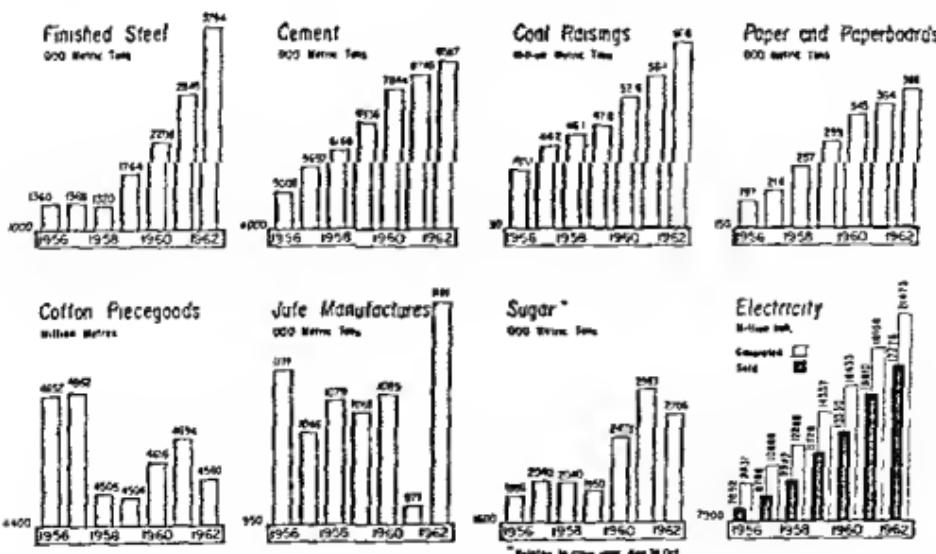
## AGRICULTURAL PRODUCTION



\*Base: Agricultural year 1949-50 = 100. The indices for 1959-60 and 1960-61 are generally based on partially revised estimates while those for 1951-52 are generally based on final estimates. The indices for these years are, therefore, subject to revision.

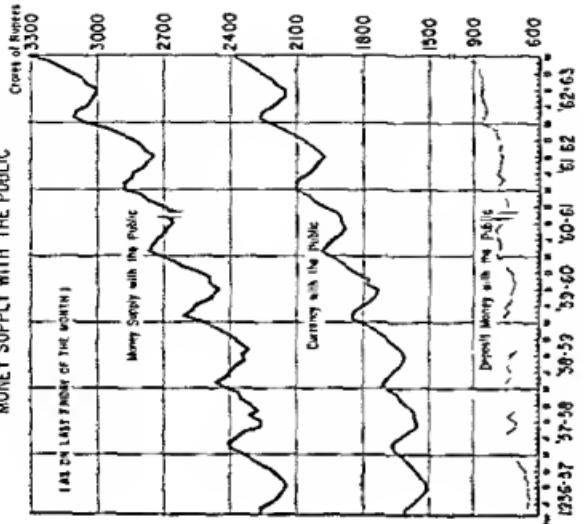
GRAPH 5

## INDUSTRIAL PRODUCTION

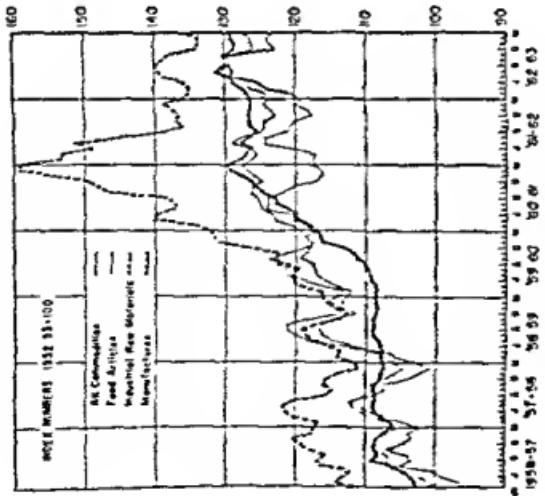


\*Available to three year, Dec 19 Oct.

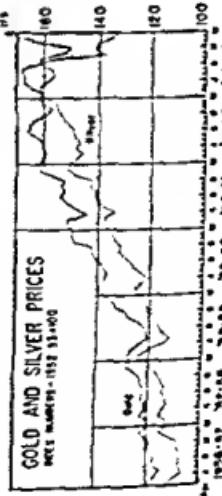
MONEY SUPPLY WITH THE PUBLIC



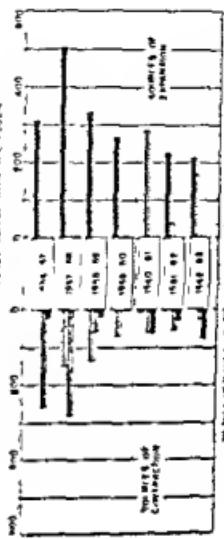
WHOLESALE PRICES



GRAPH 7



SOURCES OF VARIATIONS IN MONEY SUPPLY WITH THE PUBLIC



Source: Reserve Bank of India, Annual Report, 1962-63.

## CHAPTER III : PRICES

In contrast to the improvement in the general level of prices in 1961-62, after the steady worsening in each year of the Second Plan, the price situation during 1962-63 again showed signs of deterioration. While the decline in the general price level in 1961-62 was brought about largely by the price movements in two commodities, namely, jute and groundnut, the upward pressure this year was exerted primarily by food articles (more specifically rice, pulses, milk and ghee, sugar and gur, tea and coffee) and was due in a large measure to inadequacy of available food supplies in the context of rising demand. The increase in indirect taxation in the 1962-63 and 1963-64 budgets and the higher prices allowed by Government in respect of certain price administered commodities also contributed to the general price increase. The emphasis in the price policy, which acquired a new impetus and urgency since the commencement of the emergency, was placed primarily on restraining the price increase in essential commodities. To this end, a wide range of measures were taken, among them being incentives to step up production, larger imports to augment domestic supplies, control over production, distribution and pricing of commodities, and enlisting of the co-operation of the associations of foodgrains traders to regulate their activities, and improvement of trading practices through voluntary effort. The price trend during 1962-63 should, therefore, be viewed against the background of these developments. In line with the rising trend of the general level of prices, the consumer price index also advanced during the year; the increase was about the same as in last year. Further, unlike last year when there was no decline in the index in any centre, this year the index in a few centres registered declines.

This chapter also refers to the trends in gold and silver prices. The price of gold, after reaching an all-time peak, declined precipitately in the latter part of the year following the announcement of Government's gold policy measures. Towards the close of the year, however, gold prices again evinced signs of firmness. The price of silver, except for a sharp and temporary break in November, continued to be on the uptrend and touched an all-time peak towards the close of the year.

### WHOLESALE PRICES

In the earlier part of the year, which coincides with the lean period rise in prices, the general index (weekly) of wholesale prices (base: 1952-53 = 100) advanced steadily from 122.5 for the week ended March 24, 1962 to an all-time high of 131.2 during the week ended August 4, 1962; thereafter, the index remained more or less on a plateau till about mid-November and then declined seasonally to a low of 125.0 for the week ended December 15. From January 1963 the index once again tended to look up, rising to 127.3 for the week ended March 30, 1963. The lean period rise in prices this year, which was spread over a longer period than usual (March 24 to August 4) was noticeably larger at 7.1 per cent than that in 1961-62 (2.0 per cent between end-March and July 22). This increase as well as the delay in the post-harvest decline was mainly the result of the failure of agricultural production during

the 1961-62 crop year to show any improvement over 1960-61. The post harvest decline (from early-August to mid-December) was perceptibly smaller (4.7 per cent) than the preceding lean period rise (7.1 per cent) due mainly to expectations that the outturn during the 1962-63 crop year may not show any appreciable improvement over the previous year. During 1961-62, on the other hand, the post-harvest decline had more than wiped out the earlier lean period rise. The rise in prices during March this year also reflected the impact to some extent of the new levies on several commodities in the Budget for 1963-64. The net effect of these developments was that over the year the general index showed a rise of 3.6 per cent in contrast to a decline of 2.6 per cent in 1961-62. The current year's rise is to be compared with the increases of 6.3 per cent in 1960-61, 5.9 per cent in 1959-60 and 5.7 per cent in 1958-59. The annual average of weekly indices for 1962-63 at 127.9 showed a rise of 2.2 per cent as against only a fractional rise of 0.2 per cent in 1961-62; the average index had increased sharply by 6.7 per cent in 1960-61, 3.7 per cent in 1959-60 and 4.2 per cent in 1958-59.

The rise in the general index over the year was shared by all the groups as is shown in Table 1. The *Food Articles* group, which had risen by 1.3 per cent

Table 1. Index Numbers of Wholesale Prices

(Base : 1952-53 = 100)

Groups	Weights	Percentage Variation of				
		April 1, 1961 (1)	March 31, 1962 (2)	March 30, 1963 (3)	(2) over (1)	(3) over (2)
I. All Commodities	...	1,000	126.2	122.9	-2.6	+3.6
II. Food Articles	...	504	116.9	118.4	+1.3	+4.3
(a) Cereals	193	99.7	101.6	102.8	+1.9	+1.2
(b) Pulses	42	89.9	91.4	92.4	+1.7	+8.8
III. Liquor & Tobacco	...	21	112.7	98.8	-12.3	+14.5
IV. Fuel, Power, Light and Lubricants	...	30	121.5	122.4	+0.7	+12.1
V. Industrial Raw Materials	155	155.5	134.7	135.3	-13.4	+0.4
VI. Manufactures	...	290	128.1	126.3	-1.4	+2.5
(a) Intermediate Products	41	136.1	135.7	136.2	-0.3	+0.4
(b) Finished products	249	126.8	124.8	128.4	-1.6	+2.9

in 1961-62, recorded a larger increase of 4.3 per cent during the year and was primarily responsible for the pressure on the general index; the increase, as mentioned earlier, took place mainly under rice, pulses, milk and ghee, sugar and gur, tea and coffee.

The index for the cereals sub-group as a whole which in 1961-62 had moved up by 1.9 per cent, showed a smaller net rise of 1.2 per cent during 1962-63.

Although the index for cereals as a sub-group showed no noticeable net change over the year, it underwent wide seasonal fluctuations; further, there were sizeable fluctuations both seasonally and over the year in its principal constituents. The index for cereals, which stood at 101.6 during the week ended March 31, 1962, climbed to a peak of 110.2 during the week ended September 8, but thereafter it came down steadily to 102.8 by end-March 1963. Even so, the cereals prices during the greater part of the year ruled generally at a higher level than in 1961-62, as reflected in the annual average of the weekly index which rose over the year by 3.2 per cent to 105.6, as against a decline of 2.0 per cent a year before. The index for rice, the output of which during 1961-62 at 34.2 lakh tonnes was only just maintained around the 1960-61 level and is expected to be somewhat lower during 1962-63, recorded an increase of 7.8 per cent on top of a rise of 2.4 per cent in 1961-62; the increase was largely confined to the eastern States, namely, West Bengal, Bihar, Orissa and Assam. In wheat, the output of which in 1961-62 had surpassed the previous record for the fourth year in succession, the prices declined by 7.0 per cent as against a rise of 2.8 per cent in the previous year. However, during the major part of the year, wheat prices in the jowar producing States of Madhya Pradesh, Maharashtra and Gujarat as well as in the Punjab ruled at higher levels than in the corresponding period of 1961-62; the rise in wheat prices in the jowar producing States was largely due to a pronounced shortfall in the output of jowar in these States, resulting in increased demand for wheat, and that in the Punjab was a consequence of the diversion of large wheat stocks from that State to Maharashtra and Gujarat. Among coarse grains, the prices of jowar, bajra, maize, barley and ragi registered declines, the fall being particularly marked in the case of jowar. The index for jowar, which had risen since the beginning of 1962, touched an all-time peak of 141.7 in early-October, but thereafter it came down sharply to 106.3 in March 1963 showing a net decline of 11.3 per cent over the year. Pulses, which had risen by 1.7 per cent in 1961-62, rose further by 8.8 per cent following the drop in their production in 1961-62.

Among non-foodgrains, major price increases were noticed in gur (27.2 per cent), sugar (12.7 per cent), tea (17.3 per cent) and coffee (8.6 per cent). While sugar prices moved up only after mid-January 1963, on apprehensions of a fall in output in the context of a significant rise in domestic demand, gur prices have remained at a higher level throughout the year; the persistent rise in sugar prices necessitated the adoption of a series of regulatory measures concerning the price and distribution of this commodity. In tea and coffee, the output of which during 1961-62 was lower, as stated earlier, the price advance was partly due to the enhancement of excise duties. The index for milk and ghee recorded an increase of 6.0 per cent over the year over a rise of 6.1 per cent in 1961-62. The prices of fish, eggs and meat on the other hand, declined by 2.9 per cent.

The group '*Industrial Raw Materials*' showed a fractional rise, but there were noticeable variations in individual constituents. For instance, fibres as a sub-

group rose by 5.7 per cent, with raw cotton advancing by 5.9 per cent and raw jute by 4.6 per cent. The index for raw cotton which had risen following the poor crop of 1961-62 season, from 103 for the week ended August 26, 1961 to 113.1 on March 17, 1962, moved up further to 115.9 by the end of July 1962; the increase would probably have been larger but for the stringent restriction on the marketing of cotton and larger imports of raw cotton. With expectations of a substantially larger outturn in the 1962-63 crop, the index receded to 109 in the beginning of January; since then, however, following a downward revision of the crop estimates, the index once again advanced to 117.6 by the end of March, the highest level in the last decade. Raw jute prices which had fluctuated violently in the preceding years (a rise of 117.9 per cent in 1959-61 and a fall of 42.4 per cent in 1961-62) remained during most of the year below the prescribed minimum level and showed only a modest rise of 4.6 per cent for the year as a whole. Most of the increase under fibres was offset by declines under oilseeds, minerals and others. Oilseeds prices, as a sub-group, fell by 3.5 per cent, the major constituents, groundnut, linseed and castorseed falling by 8.6 per cent, 2.1 per cent and 10.5 per cent respectively; the decline was largely due to the improvement in oilseeds production during the 1961-62 season. The removal of the excise duty on unprocessed non-essential edible oils did not exert any noticeable effect on the oilseeds prices.

The indices for the groups '*liquor and tobacco*' and '*fuel, power, light and lubricants*' rose over the year by 14.5 per cent and 12.1 per cent, respectively; the increase took place mainly in March 1963 and was largely the result of the enhancement of the excise and import levies on tobacco, kerosene, diesel oil and motor spirit. The increase of about 9 per cent over the year in coal prices was due to the grant by Government of an increase in coal prices in 1962-63 and the further increase permitted with effect from March 1963 to cover the rise in costs as a result of the Coal Wage Board's recommendations.

'*Manufactures*', which had fallen last year by 1.4 per cent, rose during the year by 2.5 per cent. The increase occurred principally under '*finished products*' which rose by 2.9 per cent, '*intermediate products*' showing only a nominal rise of 0.4 per cent. The rise in prices of '*finished products*' was the net result of increases under cotton manufactures (5.3 per cent), metal products (5.9 per cent), chemicals (4.3 per cent) and others (4.0 per cent) and a decline (14.3 per cent) under jute manufactures. Prices of cotton manufactures showed a rise particularly after mid-December. The index of metal products, after rising in the first quarter of the year, remained virtually steady for the rest of the year. The fall in the prices of jute manufactures was due to the record rise in production during the year facilitated by the unsealing of the sealed looms. It may be noted that the decline in the prices of jute manufactures has followed a drop of 20.6 per cent last year. Under '*others*', a factor contributing to the price increase in woollen textiles, silk and rayon textiles, iron and steel manufactures, machinery, paper and newsprint, soap, etc. was the increase in indirect taxation in the 1962-63 and 1963-64 Budgets.

### PRICE POLICY

The task of holding the price line gained a new urgency following the declaration of the emergency and the gearing of the economy to meet the increased requirements of defence and development. A wide range of measures were adopted to ensure stable conditions as well as to prevent speculators from taking an undue advantage of the situation. On the monetary front, the emphasis was placed, as detailed in Chapter IV, on regulating the availability as well as the cost of credit so as to discourage borrowings for inessential purposes and to facilitate lending for defence purposes and to preferred sectors such as small scale industries, co-operatives and exports. On the non-monetary front, stress was primarily laid on preventing an undue increase in the prices of essential commodities. In recognition of the fact that an increase in production of these commodities was a necessary condition for maintaining their prices at a reasonable level, incentives were provided by ensuring minimum prices to cultivators to step up production. At the same time, domestic supplies were augmented through liberal imports of wheat, rice and cotton. The measures taken to ensure the availability of supplies at reasonable prices to consumers included an increase in the number of fair price shops, the distribution through consumer stores at fair prices, the release of larger quantities of stocks of wheat and sugar to areas where the price increase was sharp, the tightening of licensing control on wholesalers of food-grains and the enlisting of the help of associations of foodgrains traders in regulating their activities and improving trading practices through voluntary sanctions. In March 1963, following the enhancement of import and excise duties on commodities, through the Union Budget for 1963-64, the Essential Articles (Price Control) Order 1963, under the Defence of India Rules was issued with a view to curbing profiteering through unwarranted price increases. The details of the measures taken are noticed in the following paragraphs.

**Essential Commodities.**—Following the declaration of the emergency, a high level committee on price stabilisation was set up in the Department of Economic Affairs in the Ministry of Finance to keep a close scrutiny on current price trends and formulate proposals for the approval of Government. The Minister for Planning announced in the *Lok Sabha* on November 10 a series of measures envisaging a degree of price control and regulation of production in specific fields combined with a massive programme of consumer stores designed to ensure equitable distribution of consumer goods at fair prices. The programme of consumer stores, the details of which were announced on November 16, 1962 envisaged the establishment of a country-wide net-work of consumers' co-operatives, covering 113 cities each with a population of over one lakh and 137 towns each with a population between 50,000 and one lakh as well as the organisation of at least 50 wholesale and central stores with 1000 primary branch units during the remainder of 1962-63 and 150 wholesale and central stores with 3000 primary branch units during 1963-64; upto the end of March 1963, 72 wholesale stores with about 848 primary branches were opened, while State marketing co-operatives have taken up distribution of I.O.C. kerosene to consumer co-operatives in 12 States. The State Governments were asked to take up the scheme "as an item of highest priority". The entire financial assistance

for the scheme was to come from the Union Government through the National Co-operative Development and Warehousing Board. Departments and agencies of the Government were to set up stores specially for the benefit of their employees which may also be open to others in the locality. A scheme for the organisation of consumers' co-operatives for industrial workers under which employers will participate in providing capital and managerial grants was taken up by the Ministry of Labour and Employment. Besides, voluntary organisations and trade unions were assured of encouragement and assistance in the establishment of consumer stores.

The specific fields in which regulation was envisaged are (i) foodgrains, (ii) cotton textiles, (iii) drugs and medicines and (iv) woollen fabrics.

The measures taken in respect of *foodgrains* included the release of substantial quantities of wheat from Government stocks (particularly to States where there had been a shortfall in millets last year and in which food prices were high this year), stepping up of imports of wheat and rice under P.L. 480 Agreements and through commercial deals and building up of adequate stocks from domestic output, institution of uniform conditions of licensing for wholesale traders, regulation of advances against foodgrains by scheduled banks, construction of additional storage capacity and procurement of foodgrains by the Centre from wholesalers and rice mills and by the State Governments from farmers directly. One of the main conditions of the licence for wholesale traders is to enable the Government to impose a levy on wholesale traders and on rice mills to obtain such proportion of the quantity purchased by them as may be required in the public interest. As an anti-hoarding measure, sub-section (3A) of Section 3 of the Essential Commodities Act was applied in suitable cases and the State Governments were empowered to requisition stocks of foodgrains from traders and millers. Zonal arrangements for rice as they existed in 1961 were continued in 1962 also.

Imports of foodgrains during 1962-63 at 38.88 lakh tonnes (comprising 35.36 lakh tonnes of wheat and 3.52 lakh tonnes of rice) were larger than in 1961-62 (31.99 lakh tonnes). The bulk of the imports continued to be received from the U.S.A. under the P.L. 480 Programme. During January 1963 an agreement was entered into with the Government of Canada under the Colombo Plan Programme 1962-63 for an aid of \$1.5 million intended for the purchase of about 20,000 tonnes of wheat. Agreements for the import of rice were also entered into with the Government of Burma in July 1962 for the import of 2 lakh tons of rice in the year 1962, and in December 1962 for the purchase of 1.5 lakh tons of rice annually for a period of 3 years commencing from January 1, 1963 and also for the purchase of 1.5 lakh tons of full boiled rice to be shipped by September 1963.

Besides, under the 'normal marketing' obligation in terms of the P.L. 480 Agreement signed in May 1960, India has to make cash purchases of 4 lakh tonnes of wheat during each of the U.S. fiscal years 1961-64. This quantity has now been reduced to 2 lakh tonnes for the U.S. fiscal year 1962-63 as a special case. Against this quantity, about 1.1 lakh tonnes have already been purchased from Australia.

As regards internal procurement, purchases of rice in the 1961-62 season (November-October) were undertaken on behalf of the Central Government, only in the surplus States of the Punjab and Madhya Pradesh, and totalled 3 lakh tonnes. Purchases of rice and/or paddy amounting to 1.81 lakh tonnes in terms of rice were also made by the State Governments on their own account in Assam, Orissa, Punjab, Uttar Pradesh, Jammu and Kashmir and Tripura. Total purchases of rice and paddy by the Central and State Governments out of the 1961-62 crop thus amounted to 4.81 lakh tonnes (in terms of rice) as compared to 5.5 lakh tonnes in 1960-61. There was no regular procurement of wheat, though small quantities were purchased in a few markets of Uttar Pradesh mainly to provide support to the falling prices there. Steps have been taken to increase purchases of rice in the 1962-63 season. In Assam, monopoly procurement of rice continues. The percentage of levy has been raised in the Punjab, Uttar Pradesh and Orissa and the existing levy has been extended to two more districts in Madhya Pradesh. Arrangements have been made for the purchase of rice on Central Government account in Andhra Pradesh and Madras. In other States, procurement will be undertaken on the basis of voluntary offers if prices fall to the level of the procurement prices. It is expected that rice procurement on Central Government account in the 1962-63 season may aggregate about 6.5 lakh tonnes. Market arrivals of rice and wheat in the 1961-62 season have been generally higher than in the previous season in most of the States. Total issues from Central Government stocks in 1962-63 amounted to about 4.2 million tonnes (comprising 3.2 million tonnes of wheat and 1.0 million tonnes of rice), as against 3.6 million tonnes in 1961-62. Stocks of foodgrains with the Central and State Governments rose from 24.5 lakh tonnes as on April 1, 1962 to 26.0 lakh tonnes by April 1, 1963.

Mention was made in last year's Report of the fixation of a minimum support price of Rs. 13 per maund for fair average quality of common varieties of white wheat, announced by the Government of India in March 1962. During 1962 however, market prices of wheat ruled generally higher than the minimum prices fixed. In April 1963, the Government fixed the minimum price at which common white varieties of wheat are to be purchased during the 1963-64 season, at Rs. 14 per maund. The procurement prices for rice for the different States ranging from Rs. 15 to Rs. 16.50 per maund for common varieties were announced by the Government in December 1962 with a view to intensifying procurement throughout the country during the 1962-63 season. For procurement during the 1963-64 season, the prices have been raised, the increases ranging from 25 nP. to Re. 1 per maund. The Government also announced its decision to continue the policy of price support both for rice and wheat in the remainder of the Third Plan period. The price support has also been extended to jowar for the 1963-64 season; the Government would be prepared to purchase jowar at Rs. 9 per maund for white variety and Rs. 8.50 per maund for yellow variety.

The more important among the measures taken in respect of cotton textiles are (i) approval by the Textile Commissioner of prices to be stamped on cloth together with selling margins at the wholesale/retail levels, (ii) distribution of the

prescribed proportion of 10 per cent or more of the output of mills through the consumer stores and fair price shops and (iii) raising production of coarse, lower and middle medium varieties to the extent of 250 to 300 million yards a year.

Government also took powers to impose control over production, distribution and pricing of *woollen* fabrics. The Woollen Textiles (Production and Distribution Control) Order, 1960 was replaced by another order of the same name, issued on November 12, 1962, to provide adequate powers to control production of wool tops and woollen cloth in addition to woollen yarn. Permission of the Textile Commissioner is necessary to acquire or install any power-operated spindle and to use it for the purpose of manufacturing woollen yarn. With a view to co-ordinating production with the needs of the public, the Textile Commissioner has been authorised to direct any manufacturer or processor of woollen goods to produce or process only specified varieties of such goods. In order to check the rise in prices, the Textile Commissioner has been empowered to fix maximum ex-factory wholesale and retail prices of woollen goods and also to determine processing charges. He has also been authorised to compel any person to sell woollen goods in his possession to a specified party or to prevent such sale except in accordance with a permit.

Side by side with the enhancement of the import and excise duties which came into force on March 1, 1963, the Government of India have taken precautionary measures through the promulgation of the Essential Articles (Price Control) Order, 1963, under the Defence of India Rules, for preventing profiteering through unwarranted price increases. In terms of this Order which has notified the maximum price increase that would be permitted in the case of certain consumer articles viz., kerosene, vegetable oil products (*vaoaspati*), washing soap and printing and writing paper, every dealer in these commodities is required to display prominently the past prices of these articles as prevailing on or immediately before February 1, 1963 and the prices at which he proposes to sell the articles in future. Further, the Order also directs that there should be no increase in the prices of certain other essential commodities like sugar, matches, patent and proprietary medicines, footwear, cycle parts and iron and steel products which have not been subjected to additional duty.

Mention was made earlier of the drop in sugar production and the consequent bullish trend in sugar prices; this was accentuated to some extent by the diversion of sugarcane for the manufacture of gur prices of which ruled at a high level throughout 1962. In order to meet this situation the Government took a series of measures some of which were designed to arrest the flow of supplies to the manufacture of gur while others were directed towards the stepping up of sugar production and of sugar supplies. These included (1) withdrawal of the 10 per cent cut in production by factories with effect from November 1, 1962, (2) revision in the minimum prices of sugarcane effective from November 1, 1962, linking the price payable to the cultivator with the quality of the cane—an incentive to the cultivator to raise better quality of cane, (3) banning of forward trading in gur with effect from January 19, 1963, (4) prohibition of the manufacture of gur and khandsari in the factory zone area in some States and (5) levy of purchase tax on khandsari units. Since about the middle

of September 1962 releases of monthly quotas of sugar from factories were increased. Even so, the bullish trend in sugar prices persisted necessitating the reimposition of price and distribution controls. In February and March 1963, most of the State Governments issued Sugar Dealers' Licensing Orders, requiring retail traders holding stocks of more than 50 quintals to take a licence. Later, on April 17, the Government of India issued the Sugar (Control) Order, 1963 under the Defence of India Rules, 1962, empowering the Centre to fix ex-factory prices of sugar, to prescribe quotas for the States, to secure releases of sugar to the States at the specified ex-factory prices and also to regulate the movement of the commodity. State Governments are empowered to prescribe, in accordance with the Central Government's instructions, the margins of wholesale trade and are also required to ensure that within the quotas allotted, sugar is distributed equitably and at reasonable prices within the areas of their jurisdiction. The State-wise maximum ex-factory prices of sugar (including excise duty and all incidental charges) differ from one region to another, ranging from Rs. 108.50 per quintal in U.P. and North Bihar, Rs. 109.85 in South Bihar, Punjab, Rajasthan, M. P., Maharashtra and Andhra Pradesh, Rs. 110.50 in Orissa, Rs. 111.20 in West Bengal, Madras, Mysore, Kerala and Pondicherry, Rs. 112.50 in Gujarat and Rs. 113.85 in Assam. The Reserve Bank also reimposed on April 27, 1963 the control on bank advances against stocks of sugar, requiring banks to maintain a minimum margin of 45 per cent on such advances (for details see Chapter IV).

During the 1961-62 season, the spot prices of cotton in the major markets had tended to rise above the ceiling levels. In order to provide an incentive to the farmer, the ceiling prices for the 1962-63 season were raised by about 15 per cent on May 1, 1962; the price of the basic variety-Moglai Jarilla Fine 25/32" was raised by Rs. 35 per quintal (i.e. from Rs. 231 to Rs. 266 per quintal or Rs. 820 to Rs. 945 per candy) with corresponding increases in ceilings for other varieties. The "floor" prices which had been stepped up in June 1961, however, remained unchanged. Recently, in April 1963, the "floors" for the 1963-64 season have been raised, the increase for the basic variety being Rs. 100 (from Rs. 602 to Rs. 702) per candy. In the context of the poor cotton crop during the 1961-62 season the control over marketing and distribution of this commodity was continued, although the procedure for a compulsory survey was simplified. The survey of cotton was made compulsory only at the last stage (i. e. when the delivery is taken by mills or other consumers) instead of at the ginning and/or pressing stage as in previous years, and the 28 Regional Survey Committees were replaced by 8 Zonal Survey Committees. Bengal Deshi cotton intended for export was exempted from compulsory survey. The quota system of allotment of Indian cotton was continued and random requisitioning was to be resorted to whenever there were apprehensions that prices would pierce the ceiling levels. A temporary ban was also imposed on the movement of certain varieties of cotton out of the districts where they were grown. With effect from October 1962 a supervisory scheme for marketing of Indian cotton was introduced for ensuring that the prices were paid on intrinsic merits and were in accordance with those fixed by the Zonal Survey Committees. The more important features of the scheme are

(1) the manufacturers are required to obtain a pre-sale valuation certificate before purchasing cotton for ready delivery; (2) the seller is not allowed to directly receive from the buyer-manufacturer an amount exceeding 92½ per cent of the invoice value of cotton sold by him against the delivery; the balance of 7½ per cent of the sale value is to be paid through the supervisor; (3) no manufacturer will have in his possession on any date a quantity of Indian or foreign cotton stapling 1" and below in excess of three times the average monthly consumption of such cotton during the 1961-62 season. The Government also banned forward trading in kapas (unginned cotton) throughout the country with effect from November 26, 1962. As the supply position improved, the Government relaxed, with effect from January 23, 1963, restrictions regarding the holding of stocks by mills and the payment of 7½ per cent of sale value through the supervisor. In regard to forward trading in cotton, in view of the sharp reduction in cotton output during 1961-62 and the consequent rise in prices, trading in the May and August 1962 deliveries was not permitted by the Forward Markets Commission. In the first contract of the 1962-63 season, i.e., the March 1963 delivery, the trading in which commenced on May 9, 1962, the price fluctuations were subjected to a weekly ceiling limit, i.e. whenever prices ruled at or above Rs. 748 or at or below Rs. 557 per 3 quintals, the weekly fluctuations were not to exceed Rs. 20. From December 11, 1962, however, the limit on weekly price fall was reduced to Rs. 10 when the prices fell to or below Rs. 675 per 3 quintals, with a view to arresting a sharp fall in prices which emerged towards the end of November 1962.

Efforts were also continued to augment domestic supplies by imports mainly under P.L. 480 and the total quantity announced for import for 1962-63 amounted to 6 lakh bales. Total imports during the season (September-August) are estimated at 8 lakh bales including quantities announced for import in 1961-62 and not actually imported during that season. Cotton cloth and yarn prices continued to be regulated under the voluntary scheme of price regulation introduced in September 1960. The new measures taken in this regard since the emergency have already been noticed.

In raw jute, as in last year, the main problem was one of arresting the prices from falling to uneconomic levels. Consequently, the operational minimum price for raw jute fixed at Rs. 30 per maund (Rs. 80.38 per quintal) for Assam Bottoms at Calcutta for the 1961-62 season was continued in respect of the 1962-63 season also; the same minimum price is also made applicable to the 1963-64 crop. The purchase quotas of the member mills which were determined by the I.J.M.A. under a voluntary agreement were replaced with effect from November 1, 1962 by compulsory quotas issued by the Jute Commissioner. The Jute Buffer Stock Association which was set up in January 1962 to make bulk purchases and build up buffer stocks of raw jute and thus check large price fluctuations, commenced operations in the second week of April 1962 and purchased 6.25 lakh bales in accordance with the quotas issued from time to time. Apart from the purchases by mills and by the Jute Buffer Stock Association, Government also decided that the State Trading Corporation should enter the jute market and purchase jute procured by the upcountry co-operative societies through the National Agricultural Co-operative Marketing Federation; under the scheme, the Corporation bought 68,000 bales

up to March 30, 1963 at the operational minimum price. Thus, the combined efforts of the industry and Government have resulted in lifting all the jute from the 1962-63 crop; the prices, however, have not shown any perceptible improvement because of the low grade of jute produced for which demand is not keen and the reported smuggling of jute from Pakistan where the prices are much lower.

The Forward Markets Commission continued to exercise control over futures trading in oilseeds. Mention was made in last year's Report that forward trading in groundnut May 1962 contract was subjected to limits on the weekly price rise (Rs. 5.50 per 250 kgs.) instead of special margins and maximum prices, and, also limits were placed on each member's net long or short position. Similar arrangements continued for the subsequent contracts also. On November 8, 1962, however, the Forward Markets Commission reimposed ceiling prices for forward trading in groundnut as well as in other important oilseeds and oils in Bombay. The ceilings fixed were Rs. 236 per 250 kgs. for groundnut, Rs. 181 per 250 kgs. for castorseed, Rs. 42 per 50 kgs. for linseed, Rs. 111 per 250 kgs. for cottonseed and Rs. 32 per 16 kgs. for groundnut oil. These ceiling limits were over and above the restrictions regarding the limit for weekly rise of prices and the magnitude of net long and/or short open position.

#### CONSUMER PRICES

The movements in the cost of living index broadly followed the trends in the wholesale price index. The all-India consumer price index number for working class (base: 1949=100) rose from 127 in March 1962 to 134 in October 1962, but declined thereafter to 129 in February and stood at 130 in March 1963. Over the year, the index recorded a rise of 2.4 per cent which was about the same as the increase in 1961-62. The annual average for 1962-63 at 131, however, showed a larger rise of 3.1 per cent as compared to a 2.4 per cent rise in 1961-62. Regionwise, unlike in 1961-62 when all the 17 reporting centres recorded increases in living costs, in 1962-63, some centres registered rises. The largest rise was recorded by Cuttack (7.4 per cent), other centres showing noticeable increases being Ludhiana (5.5 per cent), Sholapur (4.2 per cent), Gauhati (1.8 per cent), Jabalpur (1.5 per cent), Bangalore\* (1.3 per cent) and Delhi (0.8 per cent). Some of the centres like Ahmedabad\*, Ajmer, Kanpur\* and Nagpur recorded declines during 1962-63, ranging from 1.0 per cent to 5.8 per cent.

#### GOLD PRICES

The uptrend in gold, which re-emerged in the middle of January 1962 after a temporary pause during the preceding three months and a half, continued till end-August 1962 when the price reached an all-time peak. Early in September, however, following official action concerning gold, a distinctly bearish tendency set in,

\* Up to February 1963.

which was further intensified till February 1963 by announcements by Government of various other measures to reduce smuggling and bring about a progressive reduction in the demand for gold. Thereafter, the price of gold moved both ways for sometime and tended to firm up with the emergence in March of the seasonal pressure of demand for gold. Important among the measures announced by the Government during the year were (1) the issue of 6½ per cent 15 year Gold Bonds, (2) the ban on forward trading in gold and (3) the promulgation of the Gold Control Rules in January 1963.

The ready rate which had stood at Rs. 119.75 (per 10 grammes) on March 31, 1962 rose sharply to an all-time high of Rs. 129.90 by August 29, 1962. The firm trend was attributable to strong demand in the wake of the marriage season against scarcity of floating stocks. Occasional reports of seizure of contraband gold and the disquieting reports about developments on the Sino-Indian border also contributed to the boom conditions. A reaction set in on September 5 on reports that the Lok Sabha had passed a bill which brought bullion within the purview of the Industries (Development and Regulation) Act, 1951. Gold prices dropped from the peak level of Rs. 129.90 to Rs. 120.95 by September 29. Sentiment was also affected by press reports on September 15 that the Reserve Bank had undertaken a study of trading in bullion and of the inflow of contraband gold, which gave rise to apprehensions regarding possible governmental action to mobilise gold hoards. As a result, a sizeable quantity of hoarded gold was reported to have found its way to the market. After the declaration of the national emergency on October 26, 1962, gold prices dropped sharply; the spot rate fell to a low of Rs. 86 by November 24. The important factors that brought about this crash in the price of the yellow metal were (1) the announcement of the issue of Gold Bonds on November 3 and simultaneous ministerial appeals to the public not to buy gold as long as the emergency lasts and to surrender 'black' gold to the Reserve Bank, (2) the exhortation by the Reserve Bank to bankers on November 10 to consider the recalling, in suitable cases, of certain types of advances including those against gold, (3) announcement of a ban on forward trading in gold with effect from November 13, throughout the country, followed by the extension of the ban to non-transferable specific delivery contracts in gold and (4) the passage in Lok Sabha of a bill on November 21 providing for deterrent punishment for the smuggler of gold as well as the persons dealing in smuggled gold. The spot rate, however, recovered from the low of Rs. 86 to Rs. 115.25 by December 18 due to the emergence of a strong consumer demand at lower levels. The rate reacted to Rs. 102.75 by January 9, 1963 i.e. on the eve of promulgation of Gold Control Rules, following which, official trading came to a standstill. In unofficial transactions, the rate moved irregularly according to the demand for gold for subscription to Gold Bonds.

The rate for dealer-to-dealer transactions in gold, which is available from February 18, 1963, rose to Rs. 106 by February 21, and after fluctuating between this level and Rs. 95 closed for the year at Rs. 97, although the undertone of the market continued to be firm even after the close of the year. Over the year, the spot rate recorded a fall of Rs. 22.75 or 19 per cent as against a rise of 40 n.p.

(0.3 per cent) in 1961-62, Rs. 7.60 (or 6.8 per cent) in 1960-61 and Rs. 8.63 (or 8.4 per cent) in 1959-60. The average price of gold in 1962-63 was 2.9 per cent lower than that for 1961-62. The range of price variations in gold increased from Rs. 10.15 in 1961-62 to Rs. 43.90 in 1962-63.

*Futures Trading in Gold:* During the year under review, forward trading in gold was in operation only till the imposition of a Government ban on it effective from November 13; and all outstanding contracts were squared up at the closing rate (Rs. 106.75 per 10 grammes) of that day. The ban was extended on November 15 to cover non-transferable specific delivery contracts.

During the period of forward trading, there was a sharp rise in both turnover and price indicating increased bull activity, aided, among other things, by the relaxation of special margins in March 1962 (referred to in last year's Report). The turnover in gold during the period end-March to mid-November, 1962 amounted to 0.15 million kgs. as compared to 0.09 million kgs. in the corresponding period of last year. The increased bull activity was evidenced by the coming into operation of automatic margins under bye-law 33C (which are based on price variations) twice during the period as against only once in the whole of last year. Also, bye-law 104(2), which provides for special clearings with a view to ensuring prompt payment of differences when price fluctuations become excessive, came into operation seven times during the period as compared to only once during 1961-62.

*Gold Policy:* In order to bring about a progressive reduction in the demand for (and price of) gold, to check illegal imports of gold and to mobilise gold hoards, the Government of India announced two important measures during the year, apart from the ban on forward trading in gold (referred to earlier). On November 3, 1962 the issue of 6½ per cent Gold Bonds 1977 was announced. Subscriptions to these Bonds were to be in the form of gold, gold coin and/or gold ornaments and the lists were opened on November 12 and closed on February 28. There was no limit on the subscriptions to be received from an individual subscriber. The Bonds were issued in denominations of Rs. 10 and multiples thereof, the value of gold being calculated at the rate of Rs. 53.58 per 10 grammes of .995 fineness equivalent to Rs. 62.50 per tola and are repayable at par on November 12, 1977. The interest of 6½ per cent per annum from the date of issue is payable half-yearly on May 12 and November 12. The interest on the Bonds is liable to tax under the Income Tax Act, 1961, but in the case of Bonds held by individuals, no tax will be deducted at the time of payment of interest, if the holder gives a declaration that the total nominal value of the Bonds held by him, or on his behalf, did not exceed Rs. 10,000 during the period for which interest is paid. The Bonds are exempt from the wealth tax and any capital gains from their sale will not be subject to the capital gains tax. The capital loss, if any, is not eligible for being set off. The money value of the Bonds in the hands of the original purchasers is not subject to income-tax assessment. Further, there would be no enquiry about the source of money with which such gold was purchased. This concession is, however, available only to those who actually tendered gold and bought Bonds.

Subscriptions to the Gold Bonds amounted (according to returns received upto April 4, 1963) to 16.30 million grammes or Rs. 8.73 crores valued at the international price.

Another important measure was the promulgation by the Government of India on January 9, 1963 of the Gold Control Rules. The Gold Control Rules provided for the declaration within 30 days, i.e. on or before February 8, 1963 (later extended to February 28, 1963 for other than dealers and refiners) of gold held by individuals and institutions in all forms other than ornaments, and for control over gold refiners and dealers. No such declaration, however, was necessary where holdings of gold bullion did not exceed 20 grammes in respect of minors and 50 grammes for other individuals. The Rules (1) make it illegal for any individual or institution, other than a licensed dealer, to acquire additional quantities of non-ornament gold except by inheritance or with a special permit, (2) require that all ornaments made in the country in future, whether from existing ornaments or from gold in other forms, will not have a purity exceeding 14 carats and (3) prohibit the manufacture of any article of gold other than ornament unless such manufacture is authorised by general or special order. Further, the Rules provide for the constitution of the Gold Board to administer the Rules and take suitable measures to discourage the use and consumption of gold, bring about conditions tending to reduce the demand for gold and to advise the Central Government on all matters relating to gold. The Gold Board was accordingly set up on January 10, 1963.

#### SILVER PRICES

In silver, the general uptrend noticed since July 1961 continued till November 1962 when the price of silver suffered a sharp set-back following a break in the price of gold. From early December 1962 the bullish trend reasserted itself on a reappraisal of the long-term prospect of the demand for silver. The spot rate which had risen more or less continuously from Rs. 199.75 (per kg.) on July 10, 1961 to Rs. 219.65 by March 29, 1962 rose further to Rs. 223.65 by May 3, 1962. Thereafter, there was a temporary reaction mainly on account of large arrivals which coincided with the onset of slack season, the rate dropping to Rs. 212.00 by end-July. Prices once again resumed their upward trend and reached Rs. 224.45 by October 31 and recorded in the slack season of 1962 a contra-seasonal rise of Rs. 4.05 per kg. The bullish fervour was mainly due to speculative support induced presumably by the spurt in silver prices in New York and London; a slackening in the pace of arrivals also aided the trend. During November, however, silver suffered a severe set-back mainly influenced by the sharp break in prices of the yellow metal and partly by fears of the extension of the restrictive measures to trading in silver as well. Spot silver dropped to a low of Rs. 187.80 on November 24. It may be noted here that the difference between the internal price of silver and the international price of silver, which was as high as Rs. 67.70 at the time of the suspension of sales of free silver in the U.S.A., narrowed down to Rs. 6.8 by November 1962. While internal prices had suffered due to the panic in the bullion markets, international prices had been edging up continuously. The reaction in internal prices, however, proved temporary and the uptrend reappeared and became

more pronounced after the ban on forward trading in silver on January 9, 1963. The rise was attributed to keen bull support coupled with the continued strength of silver in the international markets and the brighter prospects for the white metal in the context of the increased demand for the manufacture of 14 carat gold ornaments. The spot rate reached an all-time peak of Rs. 242 by March 12, 1963. The rate stood at Rs. 238 on March 30, 1963. The gap between the internal silver price and the international price had once again widened to around Rs. 45. Over the year, silver recorded a net rise of Rs. 18.45 (8.4 per cent) from Rs. 219.55 to Rs. 238 on top of a rise of Rs. 17.45 (or 8.6 per cent) in 1961-62, and Rs. 16.43 (or 8.8 per cent) in 1960-61. The average price of silver for 1962-63 was 5.9 per cent higher than that for 1961-62. The range of price variations increased from Rs. 22.70 in 1961-62 to Rs. 54.20 in 1962-63.

*Futures Trading in Silver:* Forward trading in silver was in operation till January 9, 1963 when the Government of India imposed a ban on it as well as on non-transferable specific delivery contracts in view of the excessive bull pressure on the market. All outstanding contracts were squared up at Rs. 213.80 (per kg.), the closing rate on January 9, 1963.

The period, for which forward trading was allowed, was characterised by excessive speculative activity which was reflected in a sharp increase in turnover as well as prices. The turnover in silver during the period end-March 1962 to January 9, 1963 was as much as 0.8 million bars—a level close to that for the whole year 1961-62. Reflecting the bull pressure, automatic margins payable under bye-law 33(C) came into operation four times during the period whereas in the whole of the preceding year they had not come into operation. The sharp rise in silver prices necessitated special clearings under bye-law 104(2) of the Bombay Bullion Association more frequently this year than in the previous year. With a view to preventing a further rise in prices, the Forward Markets Commission introduced on December 22, a revised scheme of margins on silver, reducing free limits and fixing progressively higher margins in respect of the excess of the free limits allowed. The Forward Markets Commission followed this up by the issue of another directive imposing a fluctuation limit of Rs. 4 (per kg.) on the weekly rise in price as compared with the previous week's closing price.

*Output of Gold and Silver:* In India, the domestic output of gold, which had recorded declines continuously for the last seven years, showed a rise during 1962. The output amounted to 5072 kilograms (1,63,065 ounces) in 1962\* as compared to 4868 kilograms (1,56,507 ounces) in 1961; it was 7440 kilograms (2,39,168 ounces) in 1954. Silver production on the other hand recorded a fall from 5941 kilograms (1,91,013 ounces) in 1961 to 4314 kilograms (1,38,695 ounces) in 1962.

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\* Provisional.

## CHAPTER IV : MONEY AND BANKING

The pressure on prices during the year and the need during the latter half to divert resources for defence gave a sharper edge to the policy of overall monetary restraint pursued by the Bank. The measures taken by the Bank, which included modifications in the slab system of lending rates, as well as an increase in the Bank rate were intended to restrict the availability of credit and to raise its cost while at the same time ensuring that the essential requirements of defence and development were adequately met. Special attention was also given to problems of export finance and development of small-scale industries and co-operatives to assist these vital sectors of the economy. As regards selective credit controls, a major development was their extension to advances against warehouse receipts covering foodgrains. In the institutional sphere, the process of consolidation of the banking system was continued. Legislation was also enacted to strengthen the capital base and safeguard the liquidity position of banks. In the field of co-operative banking, the institutional machinery for providing medium and long-term credits by way of refinance or otherwise to the primary lenders for facilitating agricultural development was further strengthened. On the operational side, the Reserve Bank provided assistance to this sector on a larger scale than last year.

### OVERALL BANKING TRENDS\*

The dominant feature of banking trends during 1962-63 as compared to the previous year was the sharper rise in scheduled bank credit but a slower growth of deposits. Aggregate deposits of scheduled banks increased by Rs. 192 crores during 1962-63 as against Rs. 225 crores in 1961-62, showing a rate of growth of 11 per cent as against 14 per cent in 1961-62. The smaller rate of increase was due to the set-back to deposit growth which occurred between end-October and mid-March—the period following the declaration of the emergency—and was attributable, in part, to the diversion of funds to the National Defence Fund and Defence Bonds as well as payment of premia by the corporate sector under the emergency risks insurance. Prior to the declaration of emergency—between end-March 1962 and end-October 1962—aggregate deposits had recorded an impressive rise of Rs. 137 crores as compared to Rs. 115 crores in the corresponding period of 1961. Among the factors which aided deposit growth during the year as a whole were (i) the higher rate of deficit financing in 1962-63 than in the preceding year and (ii) the increased confidence in the banking system as a result of measures taken in recent years, including the establishment of Deposit Insurance Corporation in January 1962 and the enactment of legislation to strengthen the capital base and liquidity position of banks, besides (iii) the measures initiated by banks for deposit mobilisation through extension of ancillary services to customers and more intensive publicity campaigns. Branch expansion was also a contributory factor to the rise in deposits, though the increase (253) in the number of offices of scheduled banks was smaller than in 1961-62 (283). A major part of the increase in deposits was accounted for

\* The data are based on returns submitted under Section 43 (2) of the Reserve Bank of India Act. The analysis of banking trends is based on figures exclusive of P. L. 450 and P. L. 665 funds, both in respect of deposits and investments in Government securities.

by time deposits, as in preceding years, though their share in the total increase was somewhat smaller than in 1961-62 (vide Table I below).

The rise in scheduled bank credit (Rs. 180 crores or 13 per cent) in 1962-63 was more marked than in the previous year (Rs. 88 crores or 7 per cent), the credit-deposit ratio rising over the year by 1.4 percentage points to 80.4 per cent. The sharper rise in credit during the year was due partly to the rise in advances against industrial raw materials, notably raw cotton and raw jute, and partly to the increase in credit against manufactures. Reflecting the combined impact of higher credit demand and slower rate of deposit growth (i) scheduled banks' recourse to the Reserve Bank was on an increased scale as compared to the previous year, the outstanding level of borrowings as of end-March 1963 (Rs. 71 crores) being higher than as of end-March 1962 (Rs. 53 crores); (ii) scheduled banks' investments in Government securities rose by only Rs. 59 crores as against Rs. 98 crores in 1961-62; and (iii) cash and balances with the Reserve Bank, which had risen by Rs. 7 crores in the previous year, recorded a rise of Rs. 2 crores.

**Table 1. Variations in the Principal Items of Assets and Liabilities of Scheduled Banks**  
(Rupees Crores)

	FINANCIAL YEAR		Slack	Busy	Slack	Busy	
	1961-62	1962-63	Season 1961 (May- October)	Season 1961-62 (Nov.- April)	Season 1962 (May- October)	Season 1962-63 (Nov.- April)	
1. Aggregate Deposits	..	+225.5	+192.4	+ 81.1	+157.6	+ 90.0	+101.2
a. Demand	..	+ 65.9	+ 81.2	+ 10.0	+ 55.7	+ 14.0	+ 89.4
b. Time	..	+159.6	+110.9	+ 71.1	+101.9	+ 76.0	+ 11.7
2. Borrowings from R.B.I.	..	- 41.5	+ 18.2	- 31.7	+ 6.2	- 3.3	+ 22.0
3. Borrowings from S.B.I.	..	- 0.9	+ 5.0	+ 3.6	+ 2.5	+ 0.5	- 4.6
4. Bank Credit	..	+ 88.1	+180.2	- 76.5	+203.9	- 42.1	+203.9
5. Investments in Govt. securities	..	+ 97.5	+ 58.8	+ 99.8	- 19.6	+117.9	- 35.6
6. Cash Reserves	..	+ 6.9	+ 2.1	+ 10.3	- 0.4	- 6.9	+ 3.5

Note :—Figures are exclusive of P. L. 480 and P. L. 665 funds.

#### SEASONAL TRENDS

In the 1962 slack season (May to October), the credit contraction was only Rs. 42 crores or about three-fifths the contraction in the 1961 slack season (Rs. 77 crores). The smaller decline in credit in the 1962 slack season resulted from the pressure of demand for credit against non-seasonal securities (Rs. 62 crores as compared with Rs. 36 crores in the slack season of 1961). On the other hand, the contraction in credit against seasonal commodities in the 1962 slack season (Rs. 121 crores) was larger than that in the 1961 season (Rs. 117 crores). The rise in aggregate deposits of banks during the 1962 slack season (Rs. 90 crores) was higher than in the preceding slack season (Rs. 81 crores). Aided partly by the satisfactory deposit growth, banks made a substantial addition (Rs. 118 crores) to their gilt-edged portfolio, which was larger than in the previous slack season (Rs. 100 crores), notwithstanding

the smaller return-flow of funds. At the same time, banks also drew on their cash reserves, which declined by about Rs. 7 crores as against a rise of Rs. 10 crores in the 1961 slack season. Borrowings from the Reserve Bank recorded a nominal decline of only Rs. 3 crores as compared with Rs. 32 crores in the preceding slack season; this was because the bulk of the amount borrowed in the 1961-62 busy season was repaid even before the termination of the busy season, so that at the beginning of the slack season borrowings had stood at Rs. 13 crores as against Rs. 38 crores a year before. Money rates eased considerably during the slack season, the inter-bank call money rate in Bombay touching a low of 0.54 per cent early in August or nearly 1.5 percentage points below the trough reached in the 1961 slack season, and at the end of the slack season it was quoting at 2 per cent as compared to 4.54 per cent at the end of the preceding slack season.

In the 1962-63 *busy season* (November 1962 to April 1963), the trends were influenced to a considerable extent by the various fiscal and monetary measures adopted by the authorities to meet the emergency. With the advent of the busy season, while credit demands on the banking system increased, the growth of deposits slowed down, with the result that the busy season was marked by an unusual phase of stringency. The expansion in scheduled bank credit (Rs. 204 crores) in the 1962-63 busy season was of the same order as in the 1961-62 busy season; the credit-deposit ratio reached a peak of 82 per cent as compared to the previous busy season peak of 80 per cent. The expansion in credit\* against seasonal commodities (Rs. 122 crores) was larger than in the previous busy season (Rs. 105 crores). Commodity-wise, the rise in advances against sugar and gur was Rs. 30 crores as compared to Rs. 28 crores in the corresponding period of 1961-62; the increase in advances against raw cotton (Rs. 58 crores) more than doubled that in the previous busy season (Rs. 28 crores), reflecting the bumper cotton crop in the 1962-63 season. As regards foodgrains, advances against paddy and rice recorded a smaller increase in the 1962-63 busy season (Rs. 10.2 crores) than in 1961-62 busy season (Rs. 14.9 crores), while those against 'other foodgrains' (excluding wheat) registered a larger decline (Rs. 2.4 crores) than in the 1961-62 busy season (Rs. 0.9 crore). This was attributable partly to the larger decline in foodgrains prices during the 1962-63 busy season than in the 1961-62 busy season and partly to the Reserve Bank's directive to scheduled banks issued in January 1963, bringing advances against warehouse receipts within the purview of its selective credit controls. Advances against manufactures (excluding sugar) and minerals rose by Rs. 39 crores as compared with only Rs. 23 crores in the 1961-62 busy season. There was a sizeable decline in advances against gold and silver bullion and ornaments (Rs. 22 crores as against a rise of Rs. 4 crores in the corresponding period of last year), following the request made by the Governor of the Reserve Bank to banks to consider recalling in suitable cases these advances as well as advances against shares and unsecured advances. Advances against shares of joint stock companies rose by only Rs. 1.6 crores in the 1962-63 busy season as compared to Rs. 9.3 crores in the 1961-62 busy season. The increase in unsecured advances during the 1962-63 busy season was much larger (Rs. 21 crores).

\* Figures based on Fortnightly Survey of Advances (upto end-March 1963).

than in the 1961-62 busy season (Rs. 12 crores), though following the declaration of emergency, these advances had declined by Rs. 11 crores during November and December 1962 as a sequel to the Governor's request referred to above.

While credit expansion in the 1962-63 busy season was equal to that in the previous busy season, the growth in deposits was much smaller. Deposit expansion in the 1962-63 busy season amounted to Rs. 101 crores only, as compared to Rs. 158 crores in the 1961-62 busy season. Consequently, scheduled banks resorted to borrowings from the Reserve Bank on a much larger scale than in the 1961-62 busy season to meet the seasonal credit requirements. Borrowings from the Reserve Bank increased by Rs. 22 crores in the 1962-63 busy season as compared to only Rs. 6 crores in the 1961-62 busy season; the outstanding level of such borrowings reached a high of Rs. 83 crores on March 8, 1963, the peak level reached in the previous busy season being Rs. 66 crores on March 16, 1962. Scheduled banks also reduced their portfolio of Government securities by a much larger amount (Rs. 36 crores) in the 1962-63 busy season than in the 1961-62 busy season (Rs. 20 crores).

The impact of the busy season demand for funds in the context of the slackening of deposit growth led to a progressive hardening of money rates, the inter-bank call money rate touching a peak of  $6\frac{1}{2}$  per cent in Bombay in March 1963. The increase in Bank rate in January 1963 was followed by the raising of the minimum advances rate to  $6\frac{1}{2}$  per cent by the banks which are signatories to the All-India Inter-Bank Agreement on minimum rate of interest on advances. Effective April 1, 1963, the State Bank of India stepped up its rates of interest on savings and fixed deposits by  $\frac{1}{2}$  per cent, bringing them on par with the maximum rates on deposits fixed under the Inter-Bank Agreement on deposit rates. Simultaneously, its advances rates were also stepped up on a tapering basis by fractional increases which in some cases were as low as  $\frac{1}{2}$  per cent. Its general advances rate now stands at 6 per cent as against 5 per cent before; the rate for advances against Government securities is, however, maintained at 5 per cent.

Bank profits, on the basis of published accounts of banks, showed a slight fall in 1962 as compared to 1961, mainly owing to higher establishment costs and increase in interest charges, and to some extent on account of payment of premia to Deposit Insurance Corporation and larger provision for corporate tax in 1962 in view of the increase in the rate of tax from 45 per cent to 50 per cent in the 1962-63 budget. The Super Profits Tax would increase the tax burden somewhat, but by and large it is unlikely to affect allocations of profits.

#### GENERAL CREDIT CONTROL

The objective of the Bank's credit policy continued to be one of adequate financing of economic growth and at the same time ensuring reasonable price stability. This emphasised the need for general restraint in the face of the pressure on prices and the smaller contraction in bank credit in the 1962 slack season. This need was

further reinforced following the declaration of emergency in October 1962 by the gearing of the economy to defence requirements. There was both a raising of the cost of central bank credit and restrictions on its availability, though the supply of credit was regulated in a flexible manner, which enabled banks to finance credit expansion during the 1962-63 busy season, consistent with the needs of defence and development. The slab rate system of lending rates, which was modified thrice during the year, continued to be the chief instrument of credit control used by the Bank. The Bank rate was also raised by 1/2 per cent to 4.5 per cent, effective from the close of business on January 2, 1963, with a view to bringing it in line with the prevailing interest rates in the money and capital markets.

In the first two months of the slack season of 1962, the rate of contraction in bank credit was slow and the level of credit was somewhat high, especially against certain foodgrains, oilseeds and against shares. With a view to accelerating the credit contraction in the rest of the slack season and also to enable banks to achieve a greater measure of self-reliance in the ensuing busy season, the Bank modified its three-tier system of lending rates in July 1962. Effective July 2, 1962, a four-tier system was introduced, designed to raise the average lending rate of the Reserve Bank by 1/2 per cent or more. The basic quota of each scheduled bank for borrowing at the Bank rate was reduced by one-half to 25 per cent of the average statutory reserves of the bank in the preceding quarter; borrowings equal to another 25 per cent of the average statutory reserves were to be charged a rate of 1 per cent above the Bank rate; those above 50 per cent and upto 100 per cent of the average statutory reserves a rate of 2 per cent above the Bank rate, and those above the statutory reserves a rate of 2.5 per cent above the Bank rate. Since the contraction of credit in the 1962 slack season was small and since there was need for greater restraint in view of the possible inflationary implications of increased defence expenditure, a revised system of lending rates, effective October 31, 1962, was announced on the eve of the 1962-63 busy season. Under this system, for the first time, a limit equal to a bank's average statutory reserves during the previous quarter was set on the total amount which a bank could normally borrow from the Reserve Bank. Borrowing upto 25 per cent of the statutory reserves was to be charged at 4 per cent, another 25 per cent at 5 per cent and the balance at 6 per cent. However, it was indicated that the Bank would permit borrowing beyond this limit after making an assessment of the overall position of the borrowing bank and that such special accommodation would be at a higher rate of interest. This policy was subsequently clarified by the Governor of the Bank. It was explained that the revised system of quotas and lending rates would be operated in a flexible manner and banks were asked to furnish details of their requirements of finance from the Bank during the busy season. Accordingly, the Bank granted appropriate permissible limits of borrowing to applicant banks, after an assessment of their past borrowings from the Bank, their general character of working and pattern of assets and liabilities, with special reference to lending for defence production, essential industries and exports as well as demands of particular industries like cotton textiles and jcs. Borrowings in excess of the basic quota were charged a higher rate of 6½ per cent. Banks were also called upon to re-adjust their advances portfolio, to refuse advances

which were likely to be used for purposes of hoarding and speculation and to consider recalling in suitable cases, advances against gold and shares and unsecured advances. Following the introduction by the Government of Gold Control measures in January 1963, banks were advised to value the gold contents of gold bullion and ornaments at a price not exceeding the international price and to call for additional margins in suitable instalments, wherever necessary.

The modifications in the slab rates as well as the general levering up of interest rates in the money and capital markets underlined the need for adjusting the Bank rate in line with the prevailing pattern of interest rates. The Reserve Bank, therefore, raised the Bank rate by  $\frac{1}{2}$  per cent to 4 $\frac{1}{2}$  per cent, effective from the close of business on January 2, 1963. Simultaneously, the three-tier system of lending rates introduced on October 31, 1962 was simplified into a two-tier system by merging the first two slabs. Banks were permitted to borrow a sum equal to 50 per cent of their statutory reserves at the Bank rate and the remaining 50 per cent at 6 per cent; any borrowing beyond this level was to be charged a higher rate.

The Bank's policy of granting preferential treatment to certain special sectors like small-scale industries, co-operatives and exports was continued during the year. At the time when the scheme of fixing an overall limit to a bank's borrowings from the Reserve Bank was announced in October 1962, banks were informed that while they could continue to borrow at the Bank rate additional amounts based on their lending to small-scale industries and co-operatives, their quotas in the next higher slab or slabs would stand reduced to the extent of such additions. This concession which was retained in the revised slab rate system introduced in January 1963 was further liberalised, effective March 23, 1963, when the Bank decided that the additional quota would be available at the Bank rate in respect of such lending, over and above the normal borrowing limit. As regards export finance, the Reserve Bank introduced on March 23, 1963 a scheme under Section 17(3)(A) of the Reserve Bank of India Act, which has been referred to later. With a view to assisting the coal industry in the private sector, the Bank also announced on April 9, 1963 that it would grant, commencing from July 1, 1963, during any quarter to banks at the Bank rate over and above the normal limit, additional accommodation equal to the average of their outstanding advances to colliery undertakings covered by the Government Guarantee Scheme at the end of each month during the preceding quarter.

#### **SELECTIVE CREDIT CONTROLS**

An important change in the Reserve Bank's policy of selective credit controls during the year was the extension of these controls to advances against warehouse receipts covering foodgrains (excluding wheat). Advances against warehouse receipts covering foodgrains, it will be recalled, were exempted from the purview of such controls, both in respect of ceilings and margins, with a view to encouraging the development of warehouses and the use of warehouse receipts as security for bank advances. It was, however, observed that a large part of the rise in advances against paddy and rice and 'other foodgrains' (excluding wheat) which occurred

during the greater part of the year was accounted for by advances against warehouse receipts. It was, therefore, considered necessary to introduce some measure of regulation in regard to advances against these receipts, if selective credit control was not to be rendered ineffective. Accordingly, the Reserve Bank issued revised directives on January 23 and March 11, 1963, withdrawing the exemption hitherto granted in respect of advances against warehouse receipts covering stocks of paddy and rice and 'other foodgrains' (excluding wheat), and imposing on such advances a margin of 25 per cent as compared to 35 per cent for other advances i. e. advances against foodgrains (excluding wheat) other than advances against warehouse receipts. Under the revised directives, the ceiling limits for advances against paddy and rice and 'other foodgrains' for each two-month period commencing from January-February 1963 in respect of advances against paddy and rice and for March-April 1963 in respect of advances against 'other foodgrains' were fixed at the average aggregate level of advances maintained in the corresponding period of 1962. These limits, it may be noted, are inclusive of advances against warehouse receipts in the corresponding period of 1962. Advances granted to co-operative marketing and processing societies, however, continue to be exempted from the scope of the directives.\*

On January 25, 1963, the Bank issued an amendment to its directive of February 28, 1962 covering bank advances against groundnuts and other oilseeds. In view of the discontinuance of the system of registration of export sales contracts by the Export Trade Control authorities, the provision contained in the directive in regard to additional limits allowed to banks on account of credit extended to exporters of H.P.S. groundnuts was modified. The revised additional limits for the two-month period, January-February 1963, were fixed at 200 per cent of the additional limits permitted to banks in the corresponding period of 1962. The ceiling limits fixed by the above-mentioned directive in respect of advances against groundnuts lapsed at the end of February 1963 since when bank advances against groundnuts and other oilseeds are only subject to minimum margin requirements of 45 per cent and 40 per cent, respectively. In view of the comparatively easy trend in groundnut prices, it was not considered necessary to continue the control on ceiling limits for advances against groundnuts.

On April 27, 1963, in view of the firmness of sugar prices stemming from expectations of lower output in the 1962-63 season and the spurt in bank advances to parties other than those manufacturing sugar, the Reserve Bank issued a directive to scheduled banks prescribing a minimum margin of 45 per cent on credit limits or

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\* On May 16, 1963, the Bank issued a further directive partially modifying the directives issued on January 23 and March 11, 1963, as these directives had tended to result in a disproportionate contraction of advances against warehouse receipts. Under the revised directive, ceilings have been placed on banks' advances other than those against warehouse receipts, within the overall ceilings prescribed in the earlier directives, the balance being available for advances against warehouse receipts. Not only this, banks could make advances against warehouse receipts out of the limits fixed for other advances. Advances against receipts of warehouses established by the Central and State Warehousing Corporations on or after April 1, 1962 have been exempted from the operation of the overall ceilings.

advances granted to parties other than those manufacturing sugar and on those granted to parties manufacturing sugar in respect of stocks which have left the factory or mill premises and on which excise duty has been paid.

#### OTHER BANKING DEVELOPMENTS

Among other developments in the banking sphere during the year, the more important were (a) amendment of the Banking Companies Act with a view to strengthening the capital base and the liquidity position of banks, (b) amendment of the Reserve Bank of India Act to enable the Bank to provide export credit for periods upto 180 days instead of 90 days as hitherto, and to empower it to collect, consolidate and furnish credit information, (c) introduction by the Reserve Bank of an export bills credit scheme for refinancing short-term credit, and by the Refinance Corporation for Industry of a scheme for refinancing medium-term export credits and (d) publication of the Awards of the National Industrial Tribunal (Bank Disputes).

*Banking Legislation:* The Banking Companies Act was amended on September 16, 1962 to make it obligatory on the part of banks to build up capital funds. Prior to this amendment, Indian banks were required to transfer to reserves not less than 20 per cent of their balance of profit until the reserves together with the share premium amount equalled the paid-up capital while foreign banks were exempt from this requirement. Under the amendment, Indian banks are required to continue transferring 20 per cent of their balance of profit to the reserve fund, even after it equals the paid-up capital, before any dividend is declared, and foreign banks to deposit with the Reserve Bank an amount calculated at 20 per cent of the annual profits in respect of all business transacted through their branches in India. The Central Government is empowered on the recommendation of the Bank and having regard to the adequacy of the paid-up capital and reserves in relation to deposit liabilities of Indian banks and the adequacy of amounts deposited in relation to deposit liabilities in India of foreign banks, to exempt them from transferring 20 per cent of their profits for a specified period. The amendment also raised the minimum paid-up capital in the case of an Indian banking company commencing banking business to Rs.5 lakhs as against Rs. 50,000 fixed in 1936.

Available data for 61 Indian scheduled banks indicate that a sum of Rs. 2.81 crores was transferred by them to statutory reserves in 1962 as against Rs. 3.47 crores in 1961. Capital issues (including calls on unpaid capital) by these banks aggregated Rs. 4.15 crores in 1962 as compared to Rs. 0.53 crore in 1961.

With a view to strengthening the liquidity of the banking system, Section 24 of the Banking Companies Act, 1949, pertaining to the minimum amount of liquid assets to be maintained by the banks was also amended during the year. The amendment provides that all banks should maintain at the close of business on any day a minimum amount of liquid assets\* equal to not less than 25 per cent of their total

\* Comprising till money, gold, excess over statutory reserves, balances with the State Bank and with notified banks and unencumbered approved securities.

demand and time liabilities in India; this is exclusive of the balances maintained under Section 42 of the Reserve Bank of India Act by scheduled banks, and cash or balances maintained under Section 18 of the Banking Companies Act by non-scheduled banks. Banking companies are required to comply with this stipulation after the expiry of two years from the date of commencement of the Banking Companies (Amendment) Act, 1962. When this requirement becomes operative in September 1964, the overall minimum liquidity ratio will be 28 per cent (made up of 3 per cent of cash reserves and 25 per cent of other liquid assets) as against the present minimum of 20 per cent. Simultaneously Section 42 (1) of the Reserve Bank of India Act was also amended so as to require scheduled banks to maintain with the Bank an average daily balance of 3 per cent of their total time and demand liabilities in India as against the previous requirement of 5 per cent of demand and 2 per cent of time liabilities. The Reserve Bank has been empowered to vary the cash ratio in the case of scheduled banks between 3 per cent and 15 per cent of demand and time liabilities; this replaced the earlier provision which enabled the Bank to raise their statutory balances to a maximum level of 8 per cent of time and 20 per cent of demand liabilities. Non-scheduled banks were brought in line with scheduled banks, except in regard to variation of cash reserves, by an amendment to Section 18 of the Banking Companies Act, so as to require them to maintain with themselves or in current account with the Bank or its agencies, cash or balances to the extent of 3 per cent of their total demand and time liabilities in India, as against 5 per cent of demand and 2 per cent of time liabilities. By virtue of the power to vary the cash reserves of scheduled banks with the Bank from 3 per cent to 15 per cent, the overall liquidity ratio may be raised to a maximum of 40 per cent, whereas in the case of non-scheduled banks, it would remain fixed at 28 per cent. Compliance with the new liquidity requirements would, in the case of banks whose credit-deposit ratios are somewhat high, call for a process of readjustment of their assets pattern from now on.

Mention may also be made of the amendments to the Reserve Bank of India Act in September 1962 empowering the Reserve Bank under Section 17 of the Act (i) to purchase, sell or rediscount export bills maturing within 180 days (instead of 90 days as hitherto) and also to lend against the demand promissory notes of banks supported by declarations of holdings of eligible export bills and (ii) in terms of newly introduced Section 45 to collect credit information from banks and notified financial institutions and to furnish such information in a consolidated form to any bank or a notified financial institution which applies for it.

*Export Finance:* Consequent on the amendments to Section 17 of the Reserve Bank of India Act, the Bank introduced an 'Export Bills Credit Scheme' effective March 23, 1963, under which advances will be made available to eligible scheduled banks by the Reserve Bank against their promissory notes repayable on demand and upon their declarations of holdings of eligible usance export bills drawn in foreign currencies or Indian rupees and purchased/negotiated/discounted by them. The scheme has the effect of widening the range of the collateral for borrowing from the Reserve Bank, as banks can borrow against usance export bills. Further, under this scheme, banks are able to borrow against usance export bills at a slightly lower

cost i.e. the stamp duty charges of 0.2 per cent are not payable. A further advantage to banks will be that their borrowings against rupee export bills will be at the Bank rate, over and above the overall permitted level of borrowings available to a bank. However, such loans against declarations of holdings of rupee export bills will be granted to banks on condition, that *inter alia*, the borrowing bank agrees to charge the exporter a discount rate not exceeding 6 per cent on rupee export bills. The immediate effect of the scheme was the reduction of the minimum ratio rupee export bills charged by authorised dealers from 6½ per cent to 6 per cent\*. This borrowing facility against declarations of holdings of rupee export bills will be in force initially for six months upto end-September 1963. Total limits sanctioned by the Reserve Bank to banks under the export bills credit scheme amounted to Rs. 8 crores at the end of May 1963.

With a view to extending refinance facilities to exports of capital goods and engineering goods, the Refinance Corporation for Industry drew up a scheme for refinancing of medium-term export credits for periods exceeding 6 months but not exceeding 5 years, which came into effect on January 1, 1963. The main features of the scheme are as follows: (1) the refinancing facilities have been made available to banks which are authorised dealers in foreign exchange and otherwise eligible for such facilities from the Corporation; (2) the exporters should be in the private sector and may be manufacturers, recognised export houses or other exporters of standing; (3) the scheme provides for refinancing of pre-shipment credit where it is combined with post-shipment credit; the total period of credit (excluding the period of pre-shipment credit) is not to be less than six months or more than 5 years; (4) the minimum amount of a loan in respect of which refinance could be sought for the time being has been fixed at Rs. 1 lakh and the total amount of export credit refinance to any one exporter is not to exceed Rs. 50 lakhs; and (5) the rate of interest for refinance facilities has been fixed at 5 per cent i.e. ½ per cent below the general lending rate of the Corporation.

*Awards of the National Industrial Tribunal (Bank Disputes)* Another important development in the banking industry during the year was the publication of the Awards† of the National Tribunal (Bank Disputes) which was constituted by the Government of India in March 1960. The Awards related to the wage disputes between 68 commercial banks and their workmen and the Reserve Bank of India and its workmen. The Awards covered *inter alia* the classification of banks and areas into different groups, scales of pay and allowances, superannuation benefits, medical aid, hours of work and overtime etc. Besides, the Tribunal also gave an Award on the dispute between certain banking companies and their employees on the question of bonus, referred to the Tribunal by the Government of India in September 1960. The Award raised on an average the establishment expenses of Indian scheduled banks by about 10-12 per cent over and above the annual increase arising from the appointment of additional staff, annual increments, etc.

\* It may be mentioned in this connection that the discount rate on sterling usance bills drawn for periods not exceeding 90 days has been fixed at 5½ per cent by the Foreign Exchange Dealers' Association after the change in the U.K. Bank rate to 4 per cent on January 3, 1963.

† For detailed summaries of the Awards, see Reserve Bank of India Bulletins for August, October and November 1962.

*Deposit Insurance Corporation:* Reference was made in last year's Report to the establishment of the Deposit Insurance Corporation on January 1, 1962. The Corporation provides protection to the extent of Rs. 1,500 to any one depositor in respect of all his deposits in a banking company in the same capacity and in the same right. As on the last Friday of September 1962—the latest date for which data are available—the total number of insured deposit accounts was 77.0 lakhs, of which 59.8 lakhs or 77.6 per cent, comprising balances not exceeding Rs. 1,500, was fully insured by the Corporation. At the end of March 1963, the number of insured banks stood at 273. During the year, liability for payment of the insured amount arose in the case of two banks out of 11 banks whose registration was cancelled; in the case of other banks, there were no insured deposits. The two banks are the Unity Bank Ltd. which was amalgamated with effect from August 20, 1962 with the State Bank of India under Section 45 of the Banking Companies Act, and the Bank of China whose licence for carrying on banking business in India was cancelled by the Reserve Bank of India on November 2, 1962 and which was subsequently ordered to be wound up by the Calcutta High Court. The Corporation could not effect payments to the depositors, as the list of depositors was not furnished by the transferee bank in the former case and by the liquidator of the bank in the latter case.

#### CO-OPERATIVE CREDIT—INSTITUTIONAL DEVELOPMENTS

The major institutional developments in the field of co-operative credit during the year were the establishment of the National Co-operative Development Corporation, and the passing of the Agricultural Refinance Corporation Act for setting up a corporation for financing the agricultural development of the country. The National Co-operative Development Corporation was established in March 1963 in place of the National Co-operative Development and Warehousing Board, mainly for administrative convenience. The new Corporation will continue to perform more or less the same functions as the erstwhile Board except that it will cease to be a shareholder in the Central Warehousing Corporation. All the shares held by the former Board in the Central Warehousing Corporation and all liabilities as to the payment of unpaid calls on such shares stand transferred to the Central Government. The Warehousing Fund which was administered by the Board has been transferred to and will be maintained by the Central Warehousing Corporation. The new Corporation, which is both larger and more broad-based than the Board, is expected to impart the necessary drive at official and non-official levels for the execution of co-operative policies. There will be separate functional committees for credit, marketing, processing and other important sectors.

A reference was made in the last year's Report to the proposal for setting up a statutory corporation for financing agricultural development in the country. The Bill establishing the Agricultural Refinance Corporation entrusted specifically with the responsibility for the provision of medium and long-term credit, by way of refinance or otherwise, to eligible institutions\* was passed by the Parliament in March 1963.

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\* A central land mortgage bank or a State co-operative bank or a scheduled bank, being in each case a shareholder of the Corporation.

The Corporation has an authorised capital of Rs. 25 crores, and to start with, a paid-up share capital of Rs. 5 crores, of which 50 per cent will be subscribed to by the Reserve Bank. An amount not exceeding 30 per cent may be allotted to State co-operative banks and central land mortgage banks, and the balance may be taken up by the scheduled banks, the Life Insurance Corporation, investment and insurance companies and other financial institutions. The Central Government will provide interest-free loan of Rs. 5 crores to the Corporation to carry on its business. The Corporation is empowered to borrow money by the issue of bonds and debentures carrying Government guarantee and to accept deposits from Central and State Governments, local authorities, co-operative institutions, scheduled banks and others for periods of 12 months or more. The aggregate amount borrowed in the form of loans and deposits is not to exceed 20 times the paid-up capital and reserves. The amount due to the Corporation from institutions which are assisted by it will be guaranteed by the State Governments concerned. It is expected that the Corporation will be established by July 1, 1963.

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Among other important developments in the sphere of co-operative credit mention may be made of the submission in August 1962 of the Report of the Committee on Takavi Loans and Co-operative Credit. The Committee, after examining the existing arrangements and the institutional structure for the supply of takavi loans, suggested measures, among others, for (1) effective implementation of the policy of channelling such loans through co-operatives, (2) utilization of the funds earmarked by the Government for advancing loans to agriculturists for production and land improvement purposes, for supplementing the resources of the co-operatives, (3) increased State participation in central land mortgage banks in relation to their requirements of interim finance, (4) extension by the Reserve Bank of the reimbursement facility in respect of medium-term funds as in the case of short-term finance and, lastly (5) giving of subsidies to co-operatives at a rate equal to the difference between their economic lending rate and the prescribed rate of interest.

Since the programme of revitalization of primary agricultural credit societies and the consolidation of the primary structure has been inadequately implemented, the problem was discussed at a Conference of State Ministers of Co-operation held at Lucknow in February 1963. The Conference after reviewing the progress made so far, recommended, among others, that (1) normally 'C' and 'D' class societies only be taken up for revitalization, (2) societies having a turnover exceeding Rs. 25,000 may not ordinarily be given financial assistance and (3) specific criteria for increasing membership, share capital, deposits, loans issued, reduction in overdues, etc., be laid down. Regarding co-operative marketing, the Conference recommended that marketing co-operatives may make outright purchases on their own credit or on behalf of a higher level marketing society or jointly, with a view to achieving a minimum turnover of Rs. 10 lakhs by each society. To reduce the risks involved in making outright purchases it was suggested that the system of guaranteed minimum prices should be extended to all important agricultural commodities as early as possible.

## TRENDS IN CO-OPERATIVE CREDIT

The co-operative movement made further progress during the year 1961-62. The number of primary agricultural credit societies rose from 2.12 *lakhs* at the end of June 1961 to 2.15 *lakhs*\* at the end of June 1962, and their membership from 17.0 million to 19.4 million\*. About 80,000 of these societies were undertaking one or more service functions in addition to dispensing of credit. The total short and medium-term loans advanced by the societies is estimated to have increased from Rs. 203 crores in 1960-61 to Rs. 225 crores during 1961-62.

The outstanding amount of advances and bills purchased and discounted by the State co-operative banks as on March 29, 1963\*\* aggregated Rs. 182.9 crores, showing a rise of Rs. 21.9 crores over the previous year's level. Aggregate deposits (exclusive of inter-bank deposits and borrowings from the Reserve Bank and other banks), however, increased by only Rs. 4.4 crores to Rs. 42.7 crores. In order to meet the demand for credit during the year, therefore, State co-operative banks had to rely heavily on borrowings from the Reserve Bank and the State Bank of India. Borrowings from the Reserve Bank rose by Rs. 11 crores to Rs. 134.2 crores.

Consequent on the increase in the Bank rate in January 1963, the rate of interest charged by the Bank on its lendings to State co-operative banks was raised by one-half of one per cent effective January 3, 1963. The rate of interest charged to State Governments on loans for contribution to the share capital of co-operative credit institutions, however, remained unchanged.

Table 2 shows the financial accommodation provided by the Reserve Bank and the loan assistance given by the National Co-operative Development Corporation during 1962-63. The gross amount of Reserve Bank credit to State co-operative banks at Rs. 220 crores during 1962-63 was higher by Rs. 26 crores than that provided in 1961-62. The advances outstanding also rose to Rs. 134.3 crores during the year, but the rise (Rs. 11.5 crores) was much smaller than in the preceding year (Rs. 33.4 crores), mainly due to the smaller increase in the credit for seasonal agricultural operations and marketing of crops.

In the sphere of short-term finance, the gross amount drawn by the State co-operative banks from the Reserve Bank totalled Rs. 183.11 crores as compared to Rs. 150.72 crores in the previous year, an increase of 21 per cent. The amount outstanding from the banks at the end of the year was Rs. 117.31 crores, showing a rise of only 10 per cent as against an increase of 35 per cent recorded in the previous year.

\* Provisional.

\*\* As on last Friday; the data relate to the State co-operative banks maintaining accounts with the Reserve Bank of India.

The accommodation provided by the Bank to the State co-operative banks for general banking purposes at the Bank rate under Section 17(4) (a) of the Reserve Bank of India Act aggregated Rs. 10.40 crores as against Rs. 9.83 crores in 1961-62. The amount outstanding at the end of March 1963 stood at Rs. 48.00 lakhs as compared to Rs. 18.50 lakhs at the end of March 1962. The Bank continued to play its role in providing finance to handloom weavers' co-operatives. The gross amount of credit drawn by the State co-operative banks for this purpose during the year and the amount outstanding at the end of March 1963, at Rs. 4.52 crores and Rs. 4.44 crores, respectively, were 27 per cent and 32 per cent higher than in the preceding year. Financial accommodation given for purchase and sale of yarn at the Bank rate under Section 17(2) (a) or 4 (c) at Rs. 2.38 crores was also 37 per cent higher, the amount outstanding at the end of March 1963 being Rs. 77.75 lakhs as compared to Rs. 65.00 lakhs a year earlier. As in the previous year, accommodation was granted by the Bank for financing the working capital requirements of co-operative sugar factories. The gross amount provided during 1962-63 for this purpose was Rs. 14.75 crores as compared to Rs. 20.32 crores during 1961-62 and the outstandings at the end of March 1963 stood at Rs. 19.00 lakhs.

In the field of *medium-term* credit, pursuant to the recommendations of the Standing Advisory Committee on Agricultural Credit at its 21st meeting held in June 1962, the Reserve Bank decided to extend the reimbursement facility in the case of such advances to State co-operative banks for agricultural purposes upto 75 per cent of the fresh medium-term loans made by the banks over and above the basic level as on June 30, 1962. The State co-operative banks are required, in turn, to provide reimbursement to central co-operative banks to the extent of 75 per cent of the fresh medium-term loans made by the latter over the basic level obtaining as on June 30, 1962. This formula would, in effect, mean that for every Rs. 100 of fresh medium-term loans granted by a primary credit society, Rs. 56.25 would be reimbursed by the Reserve Bank, Rs. 18.75 would be given by the State co-operative bank out of its own resources and the balance of Rs. 25 by the central bank from its own resources. The Reserve Bank also stated that it would be prepared to make suitable relaxations in cases where any hardships were experienced by the banks. The gross amount drawn by the State co-operative banks at Rs. 3.58 crores was lower by 50 per cent as compared to the previous year (Rs. 7.21 crores). The outstanding amount at the end of March 1963 stood at Rs. 9.35 crores as against Rs. 10.92 crores a year ago.

In the field of *long-term* credit, the Musi Irrigation Project in Andhra Pradesh and the Rubber Plantation Scheme in Kerala (a reference to which was made in last year's Report) made further progress. The scheme in Andhra Pradesh involves an investment of Rs. 75 lakhs over a period of 3 years for bringing about 32,000 acres of land under cultivation in the Musi Project area. The Andhra Pradesh Central Land Mortgage Bank floated in June 1962 its first series of special debentures under the scheme, to the extent of Rs. 18.00 lakhs. The Reserve Bank's contribution to these debentures accounted for 75 per cent of the issue. The State Government, besides guaranteeing these debentures as regards the repayment of principal and the

Table 2. State Aid and Reserve Bank Credit to Co-operatives, 1962-63

(Amount in Lakhs of Rupees)

Purpose	Amount outstanding at the end of March 1962	Amount advanced during the year April 1962 to March 1963	Amount outstanding at the end of March 1963
<b>RESERVE BANK CREDIT</b>			
<b>A. Loans to State Co-operative Banks—</b>			
Short-term—			
I. Seasonal agricultural operations and marketing of crops (at 2% below Bank rate): Normal ...	106.71	183.11	117.31
--do-- : Package ...	80	1.55	1.79
II. Production and marketing of handloom products (at 1½% below Bank rate) ... ... ...	3.36	4.52	4.44
III. Purchase and sale of yarn (at Bank rate) ...	65	2.38	75
IV. Meeting working capital requirements of co-operative sugar factories (at Bank rate) ...	18	14.75	19
V. General banking purposes (at Bank rate) ...	19	10.40	43
Medium-term—			
I. Agricultural purposes (at 1½% below Bank rate) ... ... ... ...	10.82	3.49	9.19
II. Financing agriculturists for purchase of shares in co-operative sugar factories (at Bank rate) ...	10	9	16
<b>B. Loans to State Governments for contribution to share capital of co-operative credit institutions*</b> ...	24.37	4.94	27.17
<b>C. Investment in debentures—</b>			
I. Rural debentures ... ... ... ...	1.73	93†	2.71
II. Ordinary debentures ... ... ... ...	1.39	2.36†	2.90
III. Special debentures ... ... ... ...	—	14†	14
<b>STATE AID (National Co-operative Development Corporation—Loan Assistance)</b>			
I. Share capital contribution to co-operatives ...	7.27	1.66	
II. Loans to Central Warehousing Corporation ...	10	—	
III. Loans for share capital contribution to State Warehousing Corporations ... ... ... } ...			13.28**
IV. Loans for other purposes including construction of godowns and establishment of cold storages ... ... ... ...	4.26	1.31	
V. Loans for cash credit and purchase of trucks by wholesale consumer co-operatives ... ...	—	82	82

\* Rate of interest charged to State Governments in respect of these loans is nil percent for the first two years, 2% during the next 3 years, 2½% for the next 4 years and 3% during the next 3 years.

† Purchased during the year.

\*\* Loans advanced to Central Warehousing Corporation in previous years and outstanding at the end of March 1962 (Rs. 10.40 lakhs) were converted into subsidy during 1962-63 and the balance outstanding as on March 13, 1963 in respect of loans to State Governments for share capital contribution to State Warehousing Corporations (Rs. 32.67 lakhs) was transferred to the Central Warehousing Corporation.

payment of interest, has agreed to bear upto 50 per cent of the losses that might be sustained by the land mortgage bank owing to defective title to land. The scheme in Kerala relates to bringing under rubber plantation roughly 100,000 acres of land over the Third Plan period at the rate of 20,000 acres per year. The financing of the scheme would be made by the central land mortgage bank by issue of special debentures. The Reserve Bank has agreed to purchase as an initial measure 75 per cent of the total special debentures to be issued, the balance to be taken up by the State Government. The need for drawing up suitable schemes for the development of a particular area or the working of a specific project for development was stressed by the Standing Advisory Committee on Agricultural Credit at its nineteenth meeting held in December 1961. Accordingly, 7 State Governments have suggested twelve schemes for the Bank's consideration so far.

During the year under Report, six central land mortgage banks (Andhra, Bombay, Gujarat, Kerala, Madras and Orissa) issued rural debentures for a total amount of Rs. 2.12 crores as against Rs. 1.65 crores floated by seven central land mortgage banks in 1961-62. Total subscriptions amounted to Rs. 1.75 crores or 83 per cent of the total amount issued. The Reserve Bank's contribution at Rs. 93.42 lakhs formed 53.3 per cent of the total subscription. Of the balance, Rs. 64.76 lakhs (37 per cent) was subscribed for by individuals from rural areas and the rest by individuals in urban areas. Besides, during the year nine central land mortgage banks floated ordinary debentures for a total sum of Rs. 16.45 crores as against Rs. 13.92 crores issued by 10 central land mortgage banks in 1961-62. Total subscriptions amounted to Rs. 16.17 crores. About 50 per cent of the amount subscribed was from co-operative institutions while the Reserve Bank's share was about 15 per cent as against 5 per cent or Rs. 72.20 lakhs during the previous year. The Reserve Bank's holdings of all the above three types of debentures issued by the central land mortgage banks rose from Rs. 3.17 crores as on March 31, 1962 to Rs. 5.75 crores as at the end of March 1963.

The Government of India approved during the year under review of the extension of the *Intensive Agricultural District Programme* (commonly known as the Package Programme) to selected areas in 5 more States, viz., Sambalpur (Orissa), Burdwan (West Bengal), Bhandara (Maharashtra), Cachar (Assam) and 6 blocks in Jammu and Kashmir. By March 1963, the programme had already been launched in Sambalpur, Burdwan and Bhandara. In addition, the Muzo' district in Himachal Pradesh has been selected for the introduction of a similar programme, with financial and technical assistance from the Federal Republic of Germany. Preliminary steps are also being taken to introduce the programme in the Union Territory of Delhi. During the year, a beginning has been made in certain package districts, particularly Tanjore and Raipur, in linking credit with marketing.

With a view to rationalizing the loan policy of central banks and for building up a strong co-operative structure, the Reserve Bank, which has been closely associated with the Programme, made several suggestions, the more important of which are : (1) the adjustment of the lending and recovery programmes of co-operative

institutions to be in tune with the cropping seasons of the regions concerned, (2) introduction of a more rational production-based credit system to be in line with the operational needs of agriculture, and lastly (3) building up of a strong co-operative marketing structure as complementary to a production-oriented credit programme. Steps are being taken for implementing these suggestions. During the year 1962-63, special credit limits aggregating Rs. 2.80 crores were sanctioned by the Bank under Section 17(4)(c) at 2 per cent below the Bank rate to 8 central co-operative banks in 5 districts for financing the seasonal agricultural operations and marketing of crops in the areas covered by the Scheme, as compared to Rs. 1.10 crores sanctioned to 5 central co-operative banks in 3 districts in 1961-62. Gross drawals by 3 banks in 2 districts amounted to Rs. 1.55 crores. *Outstandings* at the end of March 1963 amounted to Rs. 1.79 crores in respect of 3 banks in 2 districts as compared to Rs. 0.80 crore from 4 banks in 3 districts at the end of March 1962.

In pursuance of the recommendations of the Committee of Direction of the All-India Rural Credit Survey and the Committee on Co-operative Credit and with a view to meeting the increased demand for medium-term funds for agricultural development, the Reserve Bank made a further contribution of Rs. 11 crores to the National Agricultural Credit (Long-term Operations) Fund during the year, raising the amount to the credit of the Fund as on June 30, 1962 to Rs. 61 crores. From this Fund, loans amounting to Rs. 4.94 crores were sanctioned to 13 State Governments for contribution to the share capital of various co-operative credit institutions, including small size primary agricultural credit societies as compared to Rs. 5.60 crores to 12 State Governments in the previous year. Out of this sum, Rs. 93.00 lakhs represented amount sanctioned to 7 State Governments for contribution to the share capital of central land mortgage banks and another Rs. 1.24 crores to 13 State Governments for contribution to the share capital of small size credit societies as against Rs. 0.79 crore sanctioned to 10 State Governments in 1961-62 for contribution to the share capital of such societies. The amount *outstanding* at the end of the year stood at Rs. 27.17 crores—an increase of Rs. 2.80 crores over the year. The question of enhancing the scale of State partnership in the village societies selected for distribution of consumers' articles in rural areas was discussed in the Lucknow Conference of State Ministers of Co-operation held in February 1963. The Conference endorsed the recommendations of the State Registrars of Co-operative Societies that the quantum of State partnership in selected village societies should be determined after taking due note of the requirements of such societies. The total amount drawn from and *outstanding* to the Fund as on March 31, 1963 stood at Rs. 39.4 crores as compared to Rs. 37.1 crores at the end of March 1962. The Reserve Bank also made a further contribution of Rs. 1 crore during the year to the National Agricultural Credit (Stabilization) Fund, raising the amount to the credit of the Fund to Rs. 7 crores as on June 30, 1962. So far, no amount has been utilized from this Fund.

During the year 1962-63, the National Co-operative Development Corporation assisted the State Governments in their efforts regarding the development of credit, marketing, processing and consumer co-operatives. The total loans actually disbursed

by the Corporation during the year 1962-63 totalled Rs. 3.80 crores. Of this, Rs. 1.67 crores were advanced as share capital contribution to co-operatives, Rs. 1.31 crores for construction of godowns and cold storages and Rs. 0.82 crore as loans for cash credit and purchase of trucks by wholesale consumer co-operatives. A new feature of the activities during the year 1962-63 was that the Corporation took up for implementation the centrally sponsored scheme for the organization of consumer co-operatives. The programme for 1962-63 envisaged the setting up of 50 wholesale stores and 1000 primary stores. As against this target, 71 wholesale stores and 839 primary stores/branches of wholesale stores were set up during the year. The Corporation provided loans and subsidies totalling Rs. 1.48 crores to State Governments during 1962-63 to enable them to carry out this programme.

In the *co-operative processing sector*, sugar factories registered further progress during 1961-62. Out of 56 licensed co-operative sugar factories, 30 were in production at the end of the Second Five Year Plan period. During 1961-62 no fresh licences were granted for setting up co-operative sugar factories; four more factories licensed during the Second Plan period went into production during the year bringing the total number of factories in production to 34. They produced 4.7 lakh metric tons of sugar during 1961-62 which formed about 17.5 per cent of the national sugar output as against 14.7 per cent in 1960-61. The total share capital of the sugar factories amounted to Rs. 19.38 crores as on March 31, 1962 of which the Government's contribution was Rs. 8.22 crores. The total loans sanctioned by the Industrial Finance Corporation since its inception to co-operative sugar factories amounted to Rs. 29.39 crores and those outstanding as at the end of March 1962 to Rs. 15.23 crores, respectively. The State Bank of India continued to provide assistance by way of clean loans pending disbursement of loans sanctioned by the Industrial Finance Corporation, loans towards working capital and pledge loan facilities. As at the end of March 1962, the outstandings under each of these heads were Rs. 1.19 crores, Rs. 0.20 crore and Rs. 3.73 crores, respectively.

Regarding the processing of other agricultural commodities, the programme formulated for the Third Five Year Plan envisaged the setting up of 679 processing units engaged in cotton ginning and pressing, rice milling, oil pressing, etc. During 1961-62, financial assistance by the Board amounting to Rs. 0.40 crore was granted to 82 co-operative organizations to set up 85 processing units.

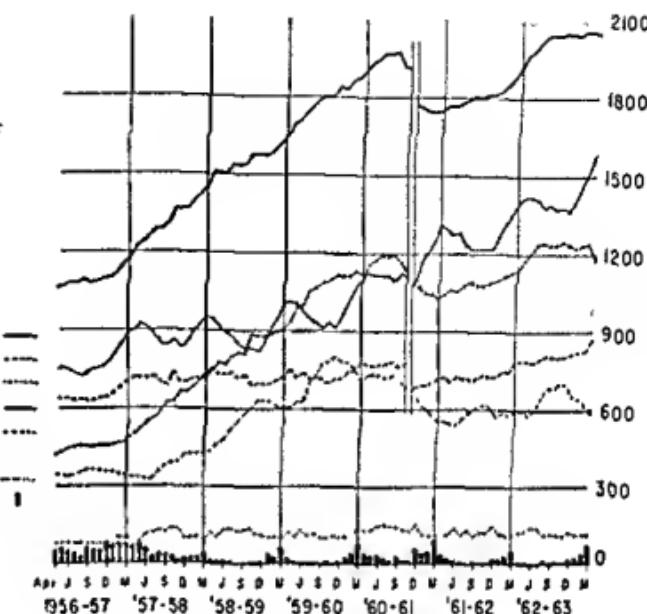
The Central and State Warehousing Corporations continued to provide increased storage facilities by opening new warehouses at important marketing centres. During 1961-62, the Central Warehousing Corporation set up 20 additional warehouses bringing the total number of central warehouses to 60 with an aggregate storage capacity of 126 thousand metric tons. The State Warehousing Corporations set up 83 warehouses, one cold storage and 32 sub-warehouses, raising the total number of warehouses to 335, one cold storage and 37 sub-warehouses with a total storage capacity of 403 thousand metric tons.

The National Co-operative Development and Warehousing Board paid Rs. 0.40 crore towards share capital contribution to the Central Warehousing Corporation during 1961-62. The total share contribution upto the end of 1961-62, amounted to Rs. 2 crores. To enable the State Governments to purchase shares of State Warehousing Corporations, the Board gave loans to various State Governments to the extent of Rs. 0.15 crore during 1961-62, raising the loan assistance granted in this regard to Rs. 0.85 crore.

GRAPH 9

**LIABILITIES AND ASSETS OF SCHEDULED BANKS**  
(AS ON LAST FRIDAY OF THE MONTH)

Aggregate Deposits  
Demand Deposits  
Time Deposits  
Bank Credit  
Investments in Government Securities  
Cash and Balances with Reserve Bank of India  
Borrowings from Reserve Bank of India

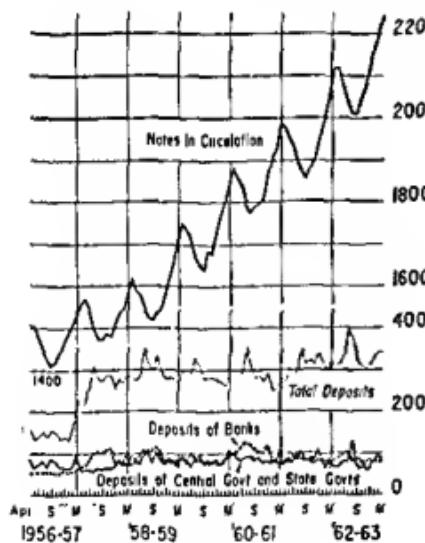


GRAPH 10

**LIABILITIES AND ASSETS OF THE RESERVE BANK OF INDIA  
ISSUE AND BANKING DEPARTMENTS COMBINED**  
(AS ON LAST FRIDAY OF THE MONTH)

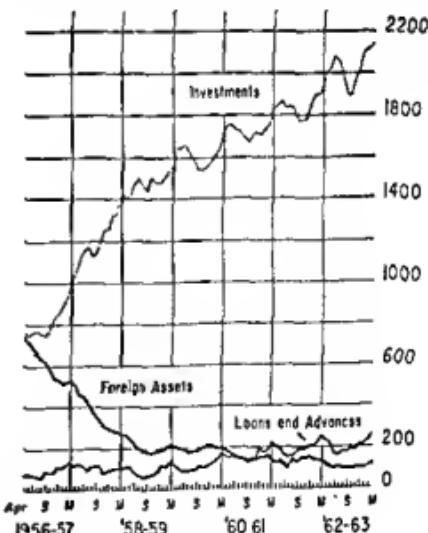
## LIABILITIES

Crates of Rupees

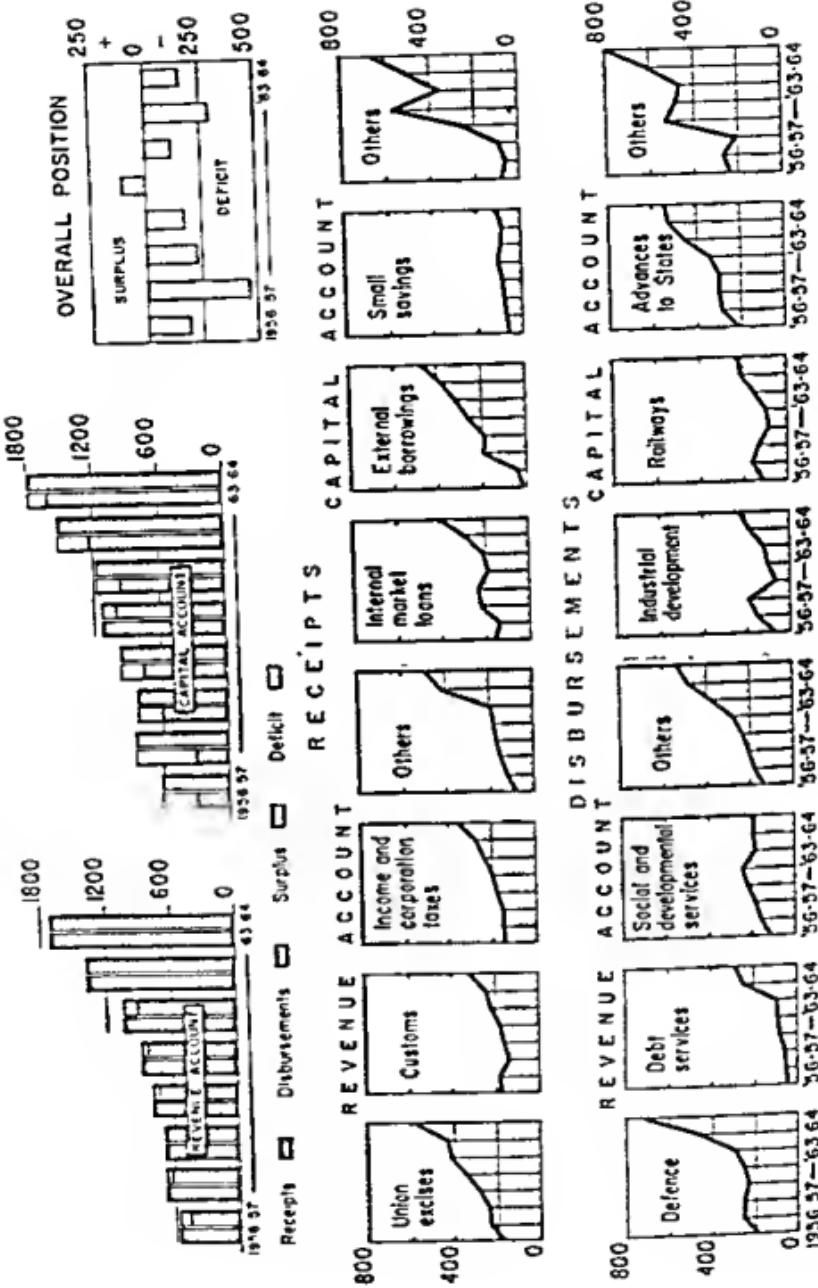


## ASSETS

Crates of Rupees



**FINANCES OF THE GOVERNMENT OF INDIA**  
**1956-57 TO 1963-64**  
 (CRORES OF RUPEES)



## CHAPTER V: CAPITAL MARKET

The activity in the capital market, which has been brisk in recent years with the rising tempo of economic development, was on a somewhat restricted scale during 1962-63. The process of adjustment in gilt-edged prices to the higher pattern of interest rates, which began with the modification of the Reserve Bank's lending at the Bank rate to a system of slab rates in October 1960, was quickened during the year, following further increases in the yields offered on new Government loans and the raising of the Bank rate. The buoyancy in the share market noticed since January 1958 gave way to a distinctly bearish trend during the latter part of the year under review. The new issue market continued to be generally active, although there were signs of some slackness following the landslide in the share markets. While consents for capital issues in respect of non-Government companies were markedly higher, the rate of utilisation was much less than in preceding years since the capital raised was just fractionally higher than last year. The flow of assistance to the corporate sector as well as to the small-scale industries sector from the long-term financing institutions was larger than last year.

### GOVERNMENT SECURITIES

After an initial steadiness, the gilt-edged market during the greater part of 1962-63 was in a process of adjustment to the higher yields offered on the new Central and State loans issued in July and August 1962 and the upward revision of the Bank rate in January 1963. Towards the close of the year, this process seemed to have been nearly completed and the market steadied up, despite the seasonal liquidation of banks' investments. The distinctly higher yields evoked greater interest, and over the year 1962-63, the Reserve Bank's open market operations (excluding purchases from the State Bank of India on account of P.L. 480 funds) resulted in net sales of Rs. 10.6 crores as against net purchases of Rs. 81 lakhs in 1961-62.

The initial steadiness in the gilt-edged market reflected mainly the usual seasonal easing of monetary conditions and the rapid growth in bank deposits which continued during the first half of the year. However, following the announcement of the new Central loans with higher yields and the simultaneous announcement by the Reserve Bank of its decision to modify the slab system of lending rates so as to raise the net cost of banks' access to the Reserve Bank by about half per cent, gilt-edged prices tended to decline in a process of adjustment to the new yield basis. Governmental borrowing operations were fairly successful as the terms offered were generally in line with market expectations. The yield to redemption offered on July 2 on the new tranches of the 3½ per cent 1968 National Plan Bonds and the 4 per cent Loan 1972 worked out higher at 3.90 per cent and 4.10 per cent, respectively, as compared to 3.78 per cent and 3.98 per cent on the existing tranches of these issues. The new long-dated 1985 Loan also gave an attractive yield of 4.50 per cent which compared very favourably with that on the existing longest-dated issue, viz., the 4 per cent Loan 1981 (4.08 per cent) (For details, see Chapter VI).

The decline in gilt-edged values was further accentuated by (i) the higher yields (4.50-4.55 per cent) offered in August on the new 4½ per cent 1974 State Loans as compared to 4.34-4.50 per cent on existing loans of comparable maturity, (ii) the announcement towards end-October of the issue of 10-year National Defence Bonds carrying a higher yield (4.25 per cent) than those on the existing loans of more or less comparable maturity (3.84-4.09 per cent), (iii) the re-emergence of monetary stringency and the consequent selling pressure with the onset of the busy season and (iv) the announcement by the Reserve Bank on January 2, 1963 of the raising of Bank rate by ½ per cent to 4½ per cent. From February onwards, however, gilt-edged evinced a generally steady tendency, indicating that the process of downward adjustment in prices was nearing its completion.

The Reserve Bank's All-India index of Government of India Securities (base : 1952-53=100), after remaining steady around 109.5 till end-June, declined almost continuously to 98.9 by end-January. The index, however, steadied up to 99.0 by mid-March and stood at 98.7 by the end of that month. Over the year, the index registered a decline of 1.8 per cent as compared to a fractional fall of 0.4 per cent in 1961-62.

Over the year, almost all the loans registered net declines. In the Central loans section, in short-dated issues the declines ranged upto Rs. 1.05. Among the medium-dated loans, the largest decline was recorded by the 3 per cent Loan 1970-75 which moved down by Rs. 4.20 to Rs. 85.55. In the other medium-dated loans, the declines ranged upto Rs. 1.30. The long-dated loans also registered declines ranging upto Rs. 3.30. In the non-terminable section, the 3 per cent Conversion Loan of 1946 fell sharply by Rs. 7.85 to Rs. 63.10. The 3 per cent Government Paper also eased by Rs. 7.50 to Rs. 63. Of the three new issues floated in July 1962, namely, the 3½ per cent National Plan Bonds 1968, the 4 per cent Loan 1972 and the 4½ per cent Loan 1985, the first two were quoting at discounts of 60 nP. and 30 nP. respectively, over their issue prices at end-March 1963, while the third Loan was quoted around its issue price. In the State loans section, the declines in the short-dated issues ranged upto Rs. 2.00. The medium-dated loans also registered declines ranging between 25 nP. and Rs. 2.75. All the fourteen 4½ per cent 1974 State loans, floated in August 1962, were quoting below their issue prices at end-March, 1963, the discounts ranging from Re. 1.00 in respect of Maharashtra Loan to Rs. 3.45 in the case of Mysore Loan.

Reflecting mainly the decline in gilt-edged prices, the yields showed an all-round substantial rise over the year. Among Central loans, the rise in yields ranged upto 0.82 per cent for the short-dated issues, upto 0.54 per cent for the medium-dated issues and upto 0.38 per cent for the long-dated loans. The yield on the 3 per cent Conversion Loan of 1946 also moved up by 0.52 per cent (to 4.75 per cent) as compared to a rise of 0.18 per cent during 1961-62. As regards State loans, the increases in yields ranged upto 0.83 per cent in respect of the short-dated issues and upto 0.45 per cent for the medium-dated issues.

## INDUSTRIAL SECURITIES

The boom in stock markets since early 1958 came to an end with a sharp break in prices in the second half of 1962-63. The movements in share values during the year fell into two broad phases, namely, a generally upward trend upto end-August and a distinct downtrend thereafter, culminating in a landslide in early November, which was intensified in March 1963. The transition of the market from a state of bullishness to one of bearishness was brought about mainly by apprehensions of heavy taxation (subsequently confirmed by the Budget for 1963-64) to meet the mounting costs of defence following the Chinese aggression and of the possible effects of such heavy taxation on industrial growth and corporate earnings.

The Reserve Bank's weekly all-India index of Variable Dividend Industrial Securities (base : 1952-53 = 100) advanced from 192.7 at end-March 1962 to an all-time peak of 195.6 during the week ended May 19 and, after a temporary reaction, stood at 188.0 during the week ended September 1. Thereafter, the index began to decline and registered a precipitate fall to 168.7 during the week ended November 10, 1962. After brief spells of steadiness, once in December and again in February, the index again went down sharply to touch 160.3 by end-March 1963—the lowest for the year. Over the year, there was a substantial fall of 16.8 per cent as against a rise of 5.5 per cent during 1961-62.

As in the past four years, the major underlying factor contributing to the rise in share values during the first phase was the continued uptrend in industrial production and growth prospects of industries coupled with the broadening of investment interest in shares in the context of the prevailing paucity of stocks, particularly of first class scrips. This was further aided by (i) the generally favourable reaction to the Budget proposals for 1962-63 presented on April 23 which, despite the heavy taxation it imposed, also contained proposals for a reduction in inter-corporate taxation, rebate in excise duty on tea and concessions designed to promote exports and (ii) the stepping up of the foreign aid by the Aid-India Club for the second year of the Third Five-Year Plan. The temporary reaction which was in evidence between end-May and end-July stemmed mainly from the depressing news of the sudden and sharp break in prices on Wall Street on May 28, and the apprehensions of a dearer money policy, as indicated by the action taken by the Reserve Bank in early July to further tighten up its credit policy and the flotation of new Central loans carrying higher yields.

In the second phase, the bearish trend was touched off by (i) the announcement by Government, on September 7, of substantially lower retention prices of steel than those recommended by the Tariff Commission and the resulting uncertainties regarding the dividends of the major steel companies. This trend was further accentuated by (i) the growing international tension arising from the developments in the Cuban situation, (ii) fears of stringent Governmental measures to hold the price line and of further cuts in imports of raw materials, (iii) the mounting by the Chinese of a major offensive on the country's northern borders and apprehensions

regarding possible consequences of a shift in planning to a war-time footing, (iv) the issue by the Reserve Bank on October 31 of a directive imposing for the first time a limit on the total amount which could be borrowed by a bank from it for normal purposes and its exhortation to bankers to consider the recalling, in suitable cases, of certain types of advances including those against shares and (v) fears of fresh taxation following the proceedings of the National Development Council on November 4. Under the weight of these overwhelmingly adverse factors, a landslide in share values took place on November 5 on heavy selling pressure, necessitating the temporary closure of two of the stock exchanges (Bombay and Ahmedabad)\* and the adoption by all the exchanges of stringent measures including the suspension of forward trading, fixation of minimum prices and compulsory carry-over. Prompt action was also taken by the Government to meet the situation. Effective November 29, forward trading in shares on all the stock exchanges in India was banned. Earlier, through a press communiqué issued on November 6, Government drew the attention of investors to the encouraging prospects of industries and urged them to take a calm and optimistic view of the share markets. The stock exchanges were also directed to warn their members and assistants against spreading wild rumours about the border situation with a view to taking advantage of the panic created by such propaganda.

Despite these measures, a feeling of general nervousness continued to pervade the stock markets till about mid-December, sentiment being dampened by the reported reference by the Finance Minister to the inevitability of bigger taxation for meeting the increased defence outlay and by the continuing uncertainties about the border situation. Subsequently, however, the markets temporarily steadied up a little on support extended by the L. I. C. and on action taken by the various stock exchange authorities to restore normal trading under liberalised terms and conditions. The undertone, however, remained bearish and the markets again sank into a depressed mood, following the announcement on January 2, 1963 of the raising of the Bank rate, the postponement of the Aid-India Club meeting to May 1963 and the reported failure of the Indian Textile Mission to Washington. The markets evinced some steadiness in the pre-budget period which, however, proved short-lived and prices again took a deep plunge after the presentation of the Union Budget proposals on February 28. The bearish trend was further accentuated by (i) the Finance Minister's statement in the *Lok Sabha* on March 16 ruling out the possibility of any substantial modifications in the Super Profits Tax proposal, (ii) renewed fears of Chinese aggression following massive concentration of Chinese troops in Tibet and (iii) the cut in the dividends by some of the leading companies. In the result, the markets headed on to a new landslide, necessitating the closure of the Calcutta market on March 22 before the scheduled time and also on March 23. At the close of the year, the market sentiment was anything but cheerful with the all-India index of Variable Dividend Industrial Securities at 160.3 showing a net decline over the year of 16.8 per cent.

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\* The Bombay and Ahmedabad Stock Exchanges re-opened for trading on November 12 and 15, respectively.

Region-wise, the decline over the year was sharpest in Bombay (19.5 per cent), followed by Delhi (16.8 per cent), Calcutta (16.0 per cent) and Madras (10.0 per cent). Almost all the industrial sub-groups registered net declines which were particularly marked in silk and woollen (32.0 per cent), iron and steel (20.0 per cent), basic industrial chemicals (19.0 per cent), banks (18.2 per cent), cotton textiles (17.6 per cent), paper (15.7 per cent), cement (14.9 per cent), jute textiles (13.9 per cent), sugar (13.6 per cent) and electrical machinery (13.4 per cent).

As regards preference shares, the general downtrend in these noticed since the change introduced in the 1959-60 budget in the system of taxation of company dividends (which, despite subsequent amendments, tended to reduce dividend receipts to the preference shareholders), continued during 1962-63 though the decline was less marked when compared to 1961-62. The index of preference shares moved down over the year by 2.9 per cent as compared to declines of 3.6 per cent and 5.5 per cent in 1961-62 and 1960-61, respectively. The index of debentures also recorded a net decline of 2.7 per cent as against a fractional rise of 0.2 per cent during 1961-62.

As regards the pattern of yields\*, the average yield on variable dividend industrial securities moved up by 0.51 per cent as against declines of 0.10 per cent in 1961-62 and of 0.35 per cent in 1960-61. The average yield on preference shares also rose from 5.76 per cent in March 1962 to 5.96 per cent in March 1963 and that on debentures from 4.18 per cent to 4.45 per cent.

#### REGULATORY MEASURES

Mention was made in last year's Report about the uniform automatic margin system which has been in force on all the stock exchanges since December 1961. The excessive speculative activity, since September 1962, which culminated in the landslide in share values in early November and the subsequent depressed state of the markets necessitated the adoption of other stringent measures by the various stock exchanges. These included: (i) the re-introduction of special deposit making-up prices, (ii) a new system of margins under which members had to deposit fixed amounts on fresh short sales, (iii) the curbing of jobbing business or its total stoppage, (iv) the fixation of minimum prices for securities, (v) the introduction of compulsory carry-over and (vi) the reduction in trading hours.

In *Calcutta*, on the first signs of bearishness in early September, the stock exchange authorities imposed a special margin at a fixed rate on net extra sales of Indian Iron. Towards the close of October, the bearish trend was accentuated, and the authorities had to declare an emergency and impose special margins on any extra sales in a number of scrips in addition to Indian Iron. Besides, effective October 24, limits were placed on day-to-day sales and purchases, the maximum limit being 10,000 shares in respect of all the cleared securities taken together.

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\* The yields referred to here are free of income-tax.

Minimum prices were fixed for all cleared and non-cleared securities at the closing prices as on October 24. Only fresh purchases and not fresh sales were allowed. Restrictions were imposed on jobbing business and kerb trading, and trading hours were curtailed from 12-4 p.m. to 12-2.30 p.m. With a view to averting possible payments difficulties, the authorities fixed on October 31 the carry forward charges at 9 per cent and ordered a compulsory carry-over of unadjusted business by the respective parties.

In *Bombay*, in October, special deposit making-up prices were fixed in respect of selected scrips and a new system of margins at fixed rates was imposed on fresh short sales in respect of selected scrips and restrictions placed on jobbing business. On November 5, following the landslide in share values, the *Bombay Stock Exchange* authorities suspended trading and, when the market reopened on the 12th, forward trading was suspended and only trading on a cash basis was allowed subject to a number of restrictions including fixation of floor prices, prohibition of jobbing, compulsory carry-over business and suspension of selling out rule. Other stock exchanges also took more or less similar measures. On November 29, the Government formally imposed a ban on forward trading in shares. While these measures served to reduce the load on the market, at the instance of the authorities in *Bombay* and *Ahmedabad* the L. I. C. was reported to have purchased large lots of certain shares. Sentiment was also aided by the unilateral decision of the Chinese to withdraw from the Indian territory.

In view of this, most of the restrictions on trading imposed earlier were gradually withdrawn in December, January and February. Also, in December, with the approval of the Government, limited forward trading was allowed; members were permitted to make fresh forward purchases in any scrip on the forward list subject to certain ceilings and margins. Effective January 21, the ceiling (overall permissible limit) for fresh forward purchases for all cleared scrips together was raised from Rs. 2 lakhs to Rs. 3 lakhs. The limit for individual scrips was kept unchanged at Rs. 1 lakh but the free limit for purchases was raised from Rs. 50,000 to Rs. 75,000. Purchases above Rs. 75,000, however, continued to be subject to a margin of 5 per cent. In *Calcutta* also, members having a net purchase position were permitted on January 21 to make fresh purchases under certain conditions to the extent of Rs. 3 lakhs in all the scrips taken together on the cleared list without payment of any margin, but not exceeding Rs. 75,000 each in *Indian Iron* and *Hindustan Motors* and Rs. 25,000 each in other scrips. Such purchases were allowed only from those members who had a net purchase position; no fresh sales were allowed. The main object of these relaxations was to enable the markets to find their own levels before the announcement of the 1963-64 Budget proposals.

However, following the announcement of the Budget proposals there was a landslide again on stock exchanges resulting in sharp declines, particularly in *Bombay* and *Calcutta*. This necessitated the reimposition by stock exchanges of the various measures of restriction imposed in early November, including fixation of minimum prices, compulsory carry-over of business and curtailment of trading hours.

As trading on the markets was extremely thin in the absence of buyers at the minimum levels, the restrictions thus reimposed were once again gradually relaxed with a view to allowing prices to find their own levels. In *Bombay*, for example, effective March 20, 1963, the minimum price restrictions in respect of all non-cleared securities were removed. Similar restrictions in respect of cleared scrips except ten were also withdrawn. It was decided to maintain the minimum and making-up prices of these shares at existing levels if the ruling prices are above these levels. In cases where transactions were not possible at rates above the minimum levels, these prices would be reduced by 3 per cent. Soon after the close of the year, with the revival of confidence following the concessions granted in Super Profits Tax, most of the restrictions with the exception of the ban on forward trading were removed.

#### CAPITAL ISSUES

The high level of new issue activity noticed since 1959 continued during 1962, though towards the close there were signs of some slackening owing to the depressed state of the stock markets. Public response to the issues offered on the market, although selective, was generally satisfactory and several equity issues particularly those with growth prospects and backed by foreign participation attracted sizeable oversubscriptions. In the first quarter of 1963, the uncertainty regarding the maintenance by companies of their dividends in future because of the proposed Super Profits Tax in the 1963-64 budget had a further dampening effect on new issue activity and led to the postponement of capital issues by some of the well-established companies. The change in sentiment was also reflected in the non-utilisation, by many new companies, of the consents for capital issues which they had already received from Government.

According to official data, the total capital raised by non-Government companies through shares (other than bonus) and debentures in 1962 was only fractionally higher at Rs. 100.4 crores (preliminary) as against Rs. 98.9 crores (revised) in 1961 and Rs. 90.3 crores in 1960. The consents granted by the Controller of Capital Issues to non-Government companies for issue of shares (other than bonus) and debentures, which broadly indicate investment intentions in the private sector, however, were markedly higher by 23 per cent at Rs. 163 crores in 1962 against Rs. 133 crores consented in 1961 and Rs. 114 crores in 1960.

A feature disclosed by the data relating to capital issues was the significant rise in the relative share of debentures, both in respect of the amount of capital raised as well as total consents; these accounted for 29.2 per cent (against 12.2 per cent in 1961) in the former and 26.6 per cent (against 16.0 per cent) in the latter. Ordinary shares continued to maintain their dominant position, although their share in the total capital raised in 1962 was lower at 68.5 per cent than in 1961 (82.1 per cent). The preference shares, which have been steadily losing ground in the last few years, drifted further down, from about 6 per cent in 1961 to less than 4 per cent of the total capital raised as well as total consents. The revival of activity in bonus issues noticed in 1961 (to which

reference was made in the last year's Report) was carried further during the year and the consents granted for such issues as well as the amount of capital raised through them were sizeably higher than in 1961. Another highlight of the data on consents to the private sector was the marked increase in the amount consented for foreign participation which was at an all-time high of Rs. 55.3 crores (including bonus and miscellaneous issues) and formed 25.2 per cent of total consents in 1962 as compared to 18.2 per cent (Rs. 33.8 crores) in the preceding year. As regards the country of origin, the share of the U. K. and the U. S. A. residents continued to be dominant, the two countries together accounting for 70 per cent of the total consents for foreign participation. Individually, this year, the U. S. A. took a lead over the United Kingdom which had occupied a predominant position since 1953. The share of the U. S. A. went up to 45 per cent from 28 per cent in 1961 while that of the U. K. stood lower at 25 per cent as against 47 per cent in the preceding year.

#### FINANCING OF INDUSTRIES

During 1962-63, although the amount of loans sanctioned by the *Industrial Finance Corporation of India* was relatively small, the amount disbursed was the largest for any year so far. Loans and advances sanctioned in respect of 40 industrial concerns amounted to Rs. 16.31 crores (of which Rs. 2.94 crores were in foreign currency) as compared to Rs. 25.90 crores (inclusive of Rs. 2.22 crores in foreign currency) sanctioned to 46 industrial concerns during the preceding year and the record of Rs. 27.48 crores sanctioned in 1960-61. Total disbursements during the year, on the other hand, reached Rs. 14.03 crores as against Rs. 8.12 crores in 1961-62 and Rs. 7.42 crores in 1960-61.

Effective July 19, 1962, the rate of interest charged by the Corporation on its rupee loans was raised from 7 per cent to 7½ per cent (with the usual rebate of ¼ per cent for punctual repayment of principal and payment of interest), while the rate of interest charged on foreign currency loans remained unchanged at 8½ per cent<sup>2</sup> (with the rebate of ½ per cent).

The Corporation underwrote jointly with other institutions and/or brokers, seven equity issues (Rs. 42 lakhs), two preference issues (Rs. 5.88 lakhs) and a debenture issue (Rs. 168 lakhs) for a total of Rs. 2.16 crores, as against two equity issues (Rs. 10 lakhs) and five preference issues (Rs. 31 lakhs) for a total of Rs. 41 lakhs in the preceding year. Of the amount underwritten during the year, the Corporation had to take up an aggregate amount of Rs. 179.59 lakhs (or 83 per cent of the amount underwritten), comprising Rs. 14.43 lakhs in equity, Rs. 2.91 lakhs in preference shares and as much as Rs. 162.25 lakhs in debentures.

For the first time since its inception in July 1948, the Corporation approved direct subscriptions to the stock and shares of industrial concerns in terms of

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<sup>2</sup> Plus an extra ¼ per cent per annum to provide for incidental expenditure.

Section 23(1) (f) of the Industrial Finance Corporation Act as amended in December 1960\*, the amount approved for this purpose during the year being Rs. 1.87 crores in respect of two applications.

During the period under review, the Corporation approved five applications for guaranteeing deferred payments to the extent of Rs. 2.74 crores in respect of machinery and equipment to be imported from abroad, as against four applications for a sum of only Rs. 63 lakh, during 1961-62 and Rs. 13.12 crores in 1960-61. Letters of guarantee were issued by the Corporation during the year to the extent of Rs. 2.40 crores as against Rs. 5.58 crores in the preceding year and Rs. 2.95 crores during 1960-61. In addition, the Corporation also approved during the year, two cases for guarantee of foreign currency loans aggregating Rs. 8.99 crores.

The Corporation's resources both of rupees and foreign currency were further augmented during the year. The rupee resources were augmented (by Rs. 6 crores) through the issue, in September 1962, of 4½ per cent Bonds, 1974, the issue price being Rs. 99.5 per cent. This brings the total amount of bonds outstanding at the end of March 1963 to Rs. 28.24 crores.

As regards foreign currency resources, the Corporation secured a loan of 50 million NF (approximately Rs. 5 crores) from the Banque Francaise Du Commerce Exterieur of Paris, for making sub-loans to eligible industrial concerns in need of foreign exchange. Besides, the Corporation also secured, from the Government of India, an allocation of yen credit equivalent to \$ 2 million (approximately Rs. 1 crore) out of the yen credit available with them.

As regards State Financial Corporations†, loans and advances sanctioned during 1962-63 (Rs. 18.33 crores) were appreciably larger than that in the preceding year (Rs. 12.91 crores) and so were total disbursements (Rs. 11.33 crores as against Rs. 8.07 crores). All the State Financial Corporations stepped up their lending rates so as to bring their own rates in conformity with the rates charged by their all-India counterparts. The current effective rates, i. e., after allowing for the usual rebate of ½ per cent for prompt payment of interest and instalments of principal on due dates, range from 7 per cent to 7½ per cent with the exception of the Jammu and Kashmir State Financial Corporation whose rate is fixed at 6½ per cent.

During the year, four State Financial Corporations viz., Assam, West Bengal, Punjab and Mysore augmented their resources through the issue of bonds for a sum of Rs. 2.75 crores, details of which are set out below.

\* Prior to this amendment, the IFC was prohibited from subscribing directly to the stock and shares of any industrial concern.

† Including the Madras Industrial Investment Corporation, Ltd.

## Bonds Issued by State Financial Corporations

Name of the Corporation	Date of Issue	Details of Issue	Issue Price (%)	Amount	
				Offered	Retained (Rs. crores)
West Bengal	... Nov.	1962	4½% 1972	99.75	0.50
Punjab	.. May	1962	4½% 1974	100.00	0.50
	Oct.	1962	4½% 1974	99.50	0.50
Mysore	.. Nov.	1962	4½% 1974	99.75	0.75
Assam	... .. March	1963	4½% 1975	99.00	0.50
					N.A.

The total amount of bonds issued and outstanding in respect of the State Financial Corporations as at the end of March 1963 was Rs. 18.50 crores as against Rs. 15.09 crores<sup>®</sup> at the end of March 1962. The Orissa State Financial Corporation strengthened its resources position through the issue of additional share capital of Rs. 50 lakhs during the year under review, while the Madras, Kerala and Andhra Pradesh Corporations accepted fixed deposits to the extent of Rs. 5.81 crores, Rs. 4.06 lakhs and Rs. 1.11 lakhs, respectively. Besides, two of the State Financial Corporations secured medium-term credit facilities from the Reserve Bank of India upto a limit of Rs. 60 lakhs each, in terms of Section 7(2)(b) of the State Financial Corporations Act, as amended in April 1962† against which only one Corporation had availed of such credit facility, the outstanding amount of which stood at Rs. 5 lakhs as at the end of March 1963. Besides the Madras Industrial Investment Corporation Ltd. which has been availing of refinance facilities from the Refinance Corporation for Industry since May 1961, two other State Financial Corporations viz., Maharashtra and Punjab also secured, during the year under review, refinance facilities to the tune of Rs. 1.15 crores against which the amount disbursed and outstanding as at the end of March 1963 was Rs. 48.25 lakhs. Refinance loans sanctioned to the Madras Industrial Investment Corporation Ltd. aggregated Rs. 1.54 crores and the amount disbursed and outstanding as at the end of March 1963 stood at Rs. 1.17 crores and Rs. 1.11 crores, respectively.

Reference was made in the last Report of the agency arrangements in operation in the States of Uttar Pradesh, Andhra Pradesh, Maharashtra, Punjab, Kerala, Rajasthan, Assam, Gujarat and West Bengal under which the Financial Corporations in these States act as agents of their respective State Governments for purposes of

<sup>®</sup> Including the bonds issued by the Madhya Pradesh State Financial Corporation which entered the market on March 29, 1962.

<sup>†</sup> Prior to the amendment, a Corporation could borrow from the Reserve Bank for periods upto 90 days only. The Amendment Act empowered the Corporations to borrow from the Reserve Bank, in addition, for periods upto 18 months against certain specified securities subject, however, to an overall limit of 60 per cent of the paid-up share capital of the Corporations.

channeling the concessional finance to small-scale industries under the State Aid to Industries Acts / Rules. During the year under review, similar agency arrangements were concluded between the Government of Orissa and the Orissa State Financial Corporation. The Government of Madhya Pradesh had already signified its approval in principle for the appointment of the Madhya Pradesh Financial Corporation as its agent. The total amount of loans sanctioned and disbursed by these State Financial Corporations since the inception of the agency arrangements upto the end of December 1962 aggregated Rs. 4.42 crores and Rs. 2.89 crores, respectively.

During the year ended December 1962—the eighth year of its working—the *Industrial Credit and Investment Corporation of India* recorded a further significant advance in its operations, the magnitude of financial assistance approved as well as disbursed during the year reaching an all-time high. The Corporation approved, during 1962, assistance for a total of Rs. 19.60 crores (gross) in respect of 56 companies as against an amount of Rs. 13.76 crores (gross) in the preceding year; of this, rupee assistance in the form of loans, underwriting of, and direct subscriptions to, ordinary and preference shares and debentures, accounted for Rs. 9.83 crores (or 50 per cent of the total assistance approved) and loans in various foreign currencies for the balance of Rs. 9.77 crores. The amount disbursed during the year, including disbursements in various foreign currencies, totalled Rs. 9.85 crores as against Rs. 5.95 crores in 1961.

The Corporation completed, during the year 1962, seven underwriting operations for a total amount of Rs. 2.42 crores (as against five operations for a total of Rs. 78 lakhs in 1961), against which it was called upon to take up Rs. 1.68 crores.

The year 1962-63 recorded a further substantial increase in the volume of business of the *Refinance Corporation for Industry Ltd.* The Corporation received, during 1962-63, 116 applications for Rs. 17.99 crores as against 74 applications for Rs. 12.20 crores in 1961-62, and sanctioned 86 applications for Rs. 13.50 crores as against 60 applications for Rs. 10.61 crores during the preceding year. The amount disbursed during the year was also appreciably larger at Rs. 8.81 crores as against Rs. 5.75 crores disbursed during 1961-62. Since its inception in June 1958 and upto the end of March 1963, the Corporation received 244 applications for Rs. 40.04 crores, of which it had sanctioned 190 applications for Rs. 31.79 crores\*. Aggregate disbursements amounted to Rs. 17.79 crores, of which Rs. 16.13 crores were outstanding as of March 31, 1963.

In keeping with the trend towards a gradual increase in the rates of interest charged by commercial banks and other term lending institutions, the lending rate of the Corporation was raised during the year under review from 5 per cent to 5½ per cent per annum, with effect from March 14, 1963.

To meet its growing requirements, the Corporation had recourse, during the year, to further borrowings amounting to Rs. 7.50 crores out of P.L. 480 funds from

\* Out of the sanctioned amount, 11 applications for Rs. 2.22 crores were treated as lapsed and amounts totalling Rs. 2.25 crores were not to be availed of.

the Government of India, raising the total of such borrowings as at the end of March 1963 to Rs. 14.50 crores. The rate of interest payable by the Corporation on its borrowings from Government was fixed higher at 3 per cent for the year 1962 as against 2½ per cent for the previous year.

During the year under review, the re-financing facilities of the Corporation were also extended to 3 additional scheduled banks and a State Co-operative bank, without requiring them to become shareholders of the Corporation.

In pursuance of its decision to refinance medium-term export credits (*vide* last Report), the Corporation introduced during the year under review a scheme which came into force from January 1, 1963. Under the scheme the refinancing facilities for periods exceeding 6 months but not exceeding 5 years will be ordinarily extended in the case of certain specified capital or engineering goods. The scheme also provides for the extension of refinance facilities in respect of other goods subject to certain conditions. The scheme is applicable to exporters in the private sector who may be manufacturers, recognised export houses or other exporters of standing. The scheme also provides for refinancing pre-shipment credit where it is combined with post-shipment credit. The total period of credit excluding the period of pre-shipment credit should not be less than six months or more than five years and the exporters should obtain necessary exemption from the Exchange Control regarding the repatriation of export proceeds within a specified period. Under the scheme, the minimum amount (of a loan) in respect of which refinance may be sought has been fixed at Rs. 1 lakh for the time being and the total amount of export credits to be refinanced in respect of any one exporter is not to exceed Rs. 50 lakhs. The rate of interest at which these refinancing facilities will be made available to banks has been fixed lower at 5 per cent as against the current rate of 5½ per cent for refinancing of industrial loans.

A reference was made in last year's Report to the Corporation's decision to provide refinance facilities to banks which provide term finance to mining units for implementing their expansion programme, with the I. B. R. D. loan of \$ 35 million. Further, a scheme for the guarantee of advances to private sector coal industry by specified credit institutions (which include the State Bank and its subsidiaries, 50 other scheduled banks, 15 State Financial Corporations including the Madras Industrial Investment Corporation, the IFC and the ICICI) was formulated by the Government of India during the year under review and the scheme came into force on April 9, 1963. The Refinance Corporation has been entrusted with the administration of the scheme as agent of the Government of India and has been designated as the "Guarantee Organisation" for this purpose.

During the year 1962-63, the *National Industrial Development Corporation Ltd.*, which acts as the agent of the Government of India for the grant of loans to cotton textile and jute industries for purposes of rehabilitation and modernisation of their machinery and to machine tool industry for expansion, recorded further progress in its financing activities. The total amount of loans sanctioned by

the Corporation to jute and cotton textile industries rose from Rs. 23.76 crores at the end of March 1962 to Rs. 26.43 crores at the close of March 1963. Actual drawals by the mill companies as at end-March 1963 aggregated Rs. 11.97 crores or 45 per cent of total loans sanctioned, as against Rs. 8.79 crores at the end of March 1962. Under the Corporation's scheme of short-term assistance to the jute and cotton textile industries\* for purposes of acquiring indigenous machinery on hire purchase basis, the Corporation had sanctioned, as of end-March 1963, assistance aggregating Rs. 54 lakhs. Financial assistance sanctioned to the machine tool industry upto the end of March 1963 aggregated Rs. 1 crore and actual drawals stood at Rs. 58 lakhs. During the year, the Corporation continued its preliminary investigations of a number of projects like Precision Instruments, Compressors and Pumps and Aluminium. The activities of the Technological Consultancy Bureau, set up in 1960, for the provision of consultancy and engineering services to industries both in the public and private sectors were greatly expanded during the year.

Reference was made in the last Report to the *Tea Plantation Finance Scheme* under which the Government of India had created a revolving fund of Rs. 5 crores to be placed at the disposal of the Tea Board to enable it to grant long-term loans to tea estates for replanting, replacement and/or extension of old tea areas. In terms of this Scheme, the Tea Board had, as of mid-March 1963, received 124 applications for assistance aggregating Rs. 6.49 crores, of which the Board had accepted 67 applications for Rs. 2.58 crores.

*Financing of Small-Scale Industries:* The working of the Government of India's scheme for the guarantee of advances granted by the specified banks and other financial institutions to small-scale industries showed considerable progress during the year 1962-63. By end-March 1963, the 'Guarantee Organisation' had received 4984 applications for guarantee in respect of credit limits aggregating Rs. 19.50 crores, as against 2523 applications for Rs. 8.93 crores received by the end of March 1962. Applications accepted for guarantee upto the end of March 1963 numbered 4520 for amounts aggregating Rs. 16.60 crores as against 2285 applications for Rs. 7.63 crores at the end of March 1962. Although the bulk of the applications for guarantees continued to be received from the State Bank of India, which has been operating a liberalised credit scheme for small-scale industries, 34 other credit institutions from all parts of the country had also applied to the Guarantee Organisation for guarantees, as against 21 till the end of March 1962.

An important development in the working of the credit guarantee scheme during the year was the extension of the area of operation of the scheme from 52 districts to the entire country and the decision to operate the scheme on a permanent basis on the existing terms and conditions with effect from January 1, 1963. The Reserve Bank of India continues to administer the Scheme as the 'Guarantee Organisation' on behalf of the Government of India as hitherto.

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\* For details of the scheme *vide Report on Currency and Finance for 1958-59.*

The State Bank of India's liberalised credit scheme for financing small-scale industries registered further progress during the year under review. The number of units assisted and the aggregate credit limits sanctioned to them by the Bank rose from 2917 and Rs. 10.38 crores as at the end of March 1962 to 3289 and Rs. 13.02 crores, respectively, as at the end of March 1963. The outstanding loans under the scheme also stood higher at Rs. 6.66 crores at the end of March 1963 as against Rs. 4.93 crores at the end of March 1962. Similarly, the credit limits sanctioned by the eight subsidiaries of the State Bank of India stood higher at Rs. 5.97 crores in respect of 731 units at the end of March 1963 as against an amount of Rs. 3.72 crores in respect of 509 units at the end of March 1962, the amount outstanding as of end-March 1963 being Rs. 2.64 crores as against Rs. 1.61 crores by end-March 1962.

During the year, the State Bank also extended its liberalised credit scheme to certain handicrafts and had sanctioned as at the end of December 1962 credit limits aggregating Rs. 27.63 lakhs, of which an amount of Rs. 12.04 lakhs was outstanding. In pursuance of its policy to extend to small-scale industries reasonable medium-term advances for periods upto 7 years towards the cost of modernisation, expansion, replacement, etc., the State Bank of India had sanctioned medium-term loans aggregating Rs. 2.02 lakhs to three units as at the end of March 1963. The Bank also recorded further progress in financing industrial co-operatives; the credit limits sanctioned in favour of 15 industrial co-operatives totalled Rs. 10.83 lakhs at the end of March 1963 as against Rs. 4.22 lakhs in respect of 13 societies by end-March 1962.

The limits granted and current by the State Bank of India under the Guarantees Scheme of the *National Small Industries Corporation* for the provision of working capital to small-scale units securing orders from Government Departments etc. through the auspices of the Corporation (*vide* Report for 1958-59) aggregated Rs. 9.26 lakhs in respect of 21 units as at the end of March 1963.

In accordance with the general upward revision of the interest rates of the State Bank of India, the rates relating to advances made to small-scale industries were raised by  $\frac{1}{2}$  per cent with effect from April 6, 1963.

## CHAPTER VI : PUBLIC FINANCE

The main feature of the Government of India's finances during 1962-63, the second year of the Third Plan, was a sharp rise in total disbursements on combined revenue and capital accounts, which far outstripped the rise in total receipts. The Budget for 1963-64 has been framed to cope with the national emergency and provides for a simultaneous step-up both in defence and development expenditure. The gap between total receipts and total disbursements has been narrowed down considerably by a massive programme of additional taxation. The overall budgetary position of the States also showed a deterioration during 1962-63 as compared to 1961-62, although the deterioration was much less than that in the case of the Centre. Although the burden of the emergency has fallen mainly on the Centre, the States have also felt its impact both directly and indirectly. The direct impact has arisen from the need to make larger provision for civil defence and reinforcement of police, particularly in border States. The indirect impact arises from the fact that the scope for Central assistance to States for executing the State Plans has become circumscribed. The situation created by the emergency has, therefore, necessitated a reorientation of Plan priorities so as to prune down expenditure on less essential projects. At the same time, additional taxation has been imposed and tax resources made available by the Centre have risen; and the overall deficit for 1963-64 is therefore about two-thirds of that in 1962-63.

### OVERALL BUDGETARY POSITION

*Revised Estimates for 1962-63:* Expenditure on revenue account of the Government of India, which had risen by Rs. 86 crores or 10 per cent in 1961-62 (Accounts), was estimated higher by Rs. 324 crores or 36 per cent in the budget estimates for 1962-63; in the revised estimates for 1962-63 expenditure has been placed higher still by Rs. 128 crores or 10 per cent over the budget estimates for 1962-63. While the increase in expenditure in the budget estimates for 1962-63 over the accounts for 1961-62 was largely the result of a sharp rise\* in debt service obligations, apart from the normal growth in other items, the increase in the revised estimates for 1962-63 over the budget estimates for that year was brought about principally by the bulge in the defence expenditure following the Chinese aggression, to provide for which supplementary demands for grants totalling Rs. 100.4 crores (of which Rs. 95 crores represented additional expenditure on defence) were voted in November 1962. Capital disbursements, which had risen by Rs. 171 crores or 17 per cent in 1961-62, rose further by Rs. 231 crores or 20 per cent in 1962-63 (B.E.) and by Rs. 344 crores or 29 per cent in 1962-63 (R.E.) as compared to 1961-62. The increase in disbursements in the budget estimates over the accounts for 1961-62 was due to larger provision for direct capital outlay on Plan, while the rise in the revised estimates for 1962-63 over the budget estimates for that year was accounted for, in the main, by increased assistance to certain States to clear their unauthorised overdrafts with

\* Owing to the changes in accounting classification in the Central Budget for 1962-63, interest payments on capital advanced to commercial departments like Railways, Posts and Telegraphs, which were hitherto booked in the accounts in reduction of receipts, are shown on a gross basis.

by Rs. 333 crores (or 24 per cent) on revenue account and by Rs. 262 crores (or 17 per cent) on capital account, as compared with the revised estimates for 1962-63. On the receipts side, the anticipated rise in tax revenue at the existing level of taxation as well as in non-tax revenue and the substantially larger credit budgeted under several heads of capital account (such as domestic market loans, foreign loans, P.L. 480 counterpart funds, small savings and miscellaneous heads including new sources introduced after the declaration of the national emergency), would meet only a part of the increase in expenditure, thus leaving an overall gap of Rs. 454 crores. To meet this gap, the Budget as originally presented, proposed a massive programme of resource mobilisation (including the Compulsory Deposit Scheme), estimated to yield to the Centre Rs. 305.90 crores (of which taxation alone was of the order of Rs. 265.90 crores) and to the States Rs. 56.61 crores. On the basis of these budget proposals, the overall budgetary deficit of the Centre was restricted to a 'reasonably safe limit' of Rs. 151 crores, the gap being almost exclusively on the capital account (Rs. 150.3 crores), while the revenue account was more or less balanced, leaving only a nominal deficit of Rs. 77 lakhs. Subsequently, in the course of the debate on the Budget in the *Lok Sabha*, the Finance Minister announced a series of concessions (including a reduction in the additional import and excise duty on kerosene, relief in the Super Profits Tax as well as in the Compulsory Deposit Scheme) which will reduce the anticipated yield from the new measures to the Centre by Rs. 30.2 crores, thus increasing the overall deficit to Rs. 181 crores.

Total expenditure bill of the States according to the Budget estimates for 1963-64 is up by Rs. 137 crores — Rs. 71 crores on revenue account and Rs. 66 crores on capital account, showing increases respectively of 5 per cent and 8 per cent over 1962-63 (R.E.). On the resources side, the States have made determined efforts to raise additional resources, tax as well as non-tax; fresh taxation is of the order of Rs. 33 crores\* as against Rs. 37 crores\*\* during 1962-63. Revenue receipts (including fresh taxation) at Rs. 1385 crores show a rise of 9.9 per cent and capital receipts at Rs. 783 crores, a rise of 3.4 per cent, over 1962-63. This leaves a surplus of Rs. 20 crores on revenue account but a deficit of Rs. 61 crores on capital account, thus resulting in an overall deficit of Rs. 41 crores which is slightly less than Rs. 59 crores in 1962-63 (R.E.).

*Combined position in 1962-63 and 1963-64:* In short, the budgetary position of the Centre and States taken together showed a marked deterioration during 1962-63, with the overall deficit more than doubling from Rs. 152 crores in 1961-62 to Rs. 347 crores in 1962-63 (R.E.). The deterioration was shared both by the Centre and the States. While in the case of the Centre the budgetary gap was particularly large on capital account (including miscellaneous transactions), for the States it was relatively larger on revenue account (Table I). The accounts for 1961-62 show a substantial surplus of Rs. 125 crores on the revenue account for the Centre, which absorbed a little over one-half of the deficit on the capital account for that year whereas the accounts of States for 1961-62 show a sizeable deficit of Rs. 48 crores on revenue account which was to a small extent offset by a surplus on capital account. The overall

\* Taking into account subsequent tax concessions of Rs. 4 crores.

\*\*Taking into account subsequent tax concessions of Rs. 2 crores.

**Table 1.** Overall Budgetary Position of the Centre and States (Combined)

\* Taking into account the effect of the additional taxation and the subsequent conversions and modifications.

<sup>a</sup>Excludes ad hoc Treasury bills of Rs. 50 crores each funded in February 1962 and December 1962, for 1961-62 and 1962-63 (R.E.), respectively.

anticipated deficit for 1963-64 for the Centre and States together is placed around Rs. 223 crores, representing a decline of Rs. 125 crores as compared with 1962-63 (R.E.). It is, however, significant to note that the States, which had shown appreciable deficits on revenue account in the preceding two years, have provided for a sizeable revenue surplus during 1963-64, but the deficit on capital account has been placed noticeably higher than in the preceding years, a factor contributing to this being the smaller increase in Centre's assistance to States. The over-all deficit of the Centre and the States for the first three years of the Third Plan works out to Rs. 584.6 crores and Rs. 137.4 crores, respectively, which, in the case of the former forms about three-fifths of the total deficit in the entire Second Plan period while in the case of the latter it exceeds by a sizeable margin the over-all deficit in the entire Second Plan period.

Over the year ended March 1963, the public debt\* of the Central Government rose at a faster rate (by Rs. 674 crores or 12.8 per cent) than in 1961-62 (by Rs. 326 crores or 6.6 per cent), the increase being particularly noticeable under market loans, Treasury bills and external debt. While net market borrowings during 1962-63 exceeded the budget target, receipts under foreign loans and small savings fell short of such targets. In 1963-64, the public debt is expected to rise by Rs. 1085 crores or 18.2 per cent; once again larger credit has been taken mainly under market loans, foreign loans and Treasury bills. As regards the States, their outstanding debt rose over the year ended March 1963 by 14.4 per cent as against 15.0 per cent in 1961-62, a major part of the increase being accounted for by loans from the Centre. As in the previous year, net market borrowings of the States exceeded the budget target. For the year 1963-64, the market borrowing programmes of the Centre and States will be centralized and States would receive their share as loans from the Central Government.

*Plan Outlay:* Broadly, in conformity with the overall programme outlined in the Third Plan, the *plan outlay in the public sector* has been progressively stepped up, from Rs. 1140 crores in 1961-62 (made up of Rs. 555 crores at the Centre and Rs. 585 crores at the States) or 15.2 per cent of the total Plan expenditure for the five year period, to Rs. 1465 crores in 1962-63 (composed of Rs. 770 crores for the Centre and Rs. 695 crores for the States), or 19.5 per cent of the total. Plan outlay for 1963-64 has been pitched at Rs. 1651 crores (Rs. 916 crores for the Centre and Rs. 735 crores for the States), or 22 per cent of the total. The budgeted outlay for the Centre during 1963-64 would form about a quarter of the total for the five year period whereas the States have provided for a little under one-fifth. If this budgeted expenditure materialises, the Centre would be achieving about three-fifths of the total target fixed for the entire Plan period, while the States would be achieving only a little over one-half.

#### UNION GOVERNMENT—OUTLAYS

Recent trends in the major items of expenditure on revenue account and on capital account are presented in Table 2. On revenue account, defence expenditure

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\* Based on the Central Budget documents for 1963-64.

has shown a marked increase from Rs. 290 crores in 1961-62 (accounts) or 32 per cent of the total revenue expenditure to Rs. 452 crores in 1962-63 (which includes the supplementary grants of Rs. 100.4 crores voted in November 1962) or 33 per cent of the total, and further to Rs. 709 crores in 1963-64 or 42 per cent of the total. The capital outlay on defence also has been stepped up from Rs. 23 crores in 1961-62 to Rs. 53 crores in 1962-63 and Rs. 159 crores in 1963-64. Thus, the total expenditure on defence has risen from Rs. 313 crores in 1961-62 to Rs. 505 crores in 1962-63 and Rs. 868 crores in 1963-64. Further, owing mainly to the larger provision for expenditure on border police, an item closely associated with the present emergency, the expenditure on civil administration shows a rise of Rs. 6 crores in 1962-63 and of Rs. 12 crores in 1963-64.

Table 2. Disbursements (By Major Heads)

				(Rupees Crores)
		1962-63		
	1961-62 (Accs.)	(B.E.)	(R.E.)	1963-64 (B.E.)
<b>Total Revenue Expenditure</b>	...	912	1,236	1,364
I. Defence (Net)	...	290	343	452
II. Civil	...	622	893	912
Of which :				
Civil Administration	...	59	70	76
Debt Services	...	83	248	246
Social & Developmental Services	...	176	194	189
(Of which Steel Surcharge)	...	26	25	30
Grants to States	...	195	214	210
All Others	...	109	167	191
<b>Total Capital Disbursements</b>	...	1,172	1,403	1,516
I. Capital Outlay	...	436	652	673
Developmental	...	351	523	518
Non-Developmental	...	85	129	155
Of which :				
Defence	...	23	33	53
II. Loans and Advances to States	...	452	453	523
III. Other Loans and Advances (net)	...	78	66	89
IV. All Others	...	206	232	231

The Centre's outlay on the Plan during 1962-63, according to the revised estimates for that year, fell somewhat short of the original budget target, although it was appreciably higher than in 1961-62. This is indicated by a shortfall of Rs. 11 crores (excluding the transfer of steel surcharge) in expenditure on social and developmental services and of Rs. 5 crores in developmental capital outlay; grants to States are also lower by about Rs. 4 crores. In 1963-64, however, following a considerable increase in the budgeted outlay on the Plan, all these items show a

rise. Thus, expenditure on social and developmental services is expected to go up by Rs. 9 crores to Rs. 168 crores (excluding the transfer of steel surcharge), grants to States by Rs. 8 crores to Rs. 218 crores and developmental capital outlay by as much as Rs. 95 crores to Rs. 613 crores. Under developmental capital outlay, outlay on industrial development shows the largest increase of Rs. 44 crores. The outlays on railways, posts and telegraphs and civil works show sizeable increases of Rs. 16 crores, Rs. 13 crores and Rs. 12 crores, respectively (for details see Part III—Statements 48 and 50).

The Centre's assistance to States for financing their Plan and non-Plan outlays has been progressively growing in recent years. In spite of receiving a larger share of the Central taxes and grants from 1962-63, following the Third Finance Commission's Award, some of the States had overdrawn on their accounts with the Reserve Bank. *Ad hoc* loans by the Centre in 1962-63 to seven States to help them to clear their unauthorised overdrafts amounted to Rs. 74 crores as against Rs. 30 crores granted to four States in 1961-62. As a result, the Centre's loan assistance to the States during 1962-63 was revised from Rs. 453 crores to Rs. 523 crores. Loans to States during 1963-64 are placed at Rs. 541 crores which include Rs. 100 crores as the States' share in the centralised market borrowings. Further, tax resources of States are anticipated to go up by Rs. 31 crores (Rs. 21 crores due to an amendment to the Central Sales Tax Act and Rs. 10 crores on account of changes in Central excises).

Among other outlays which are not directly linked either to defence or to development, debt servicing charges show a large increase from Rs. 83 crores in 1961-62 to Rs. 246 crores in 1962-63 and further to Rs. 280 crores in 1963-64. Net capital outlay on State Trading schemes, which was put up from Rs. 2 crores in 1961-62 to Rs. 29 crores in 1962-63 (B.E.) but lowered to Rs. 13 crores in 1962-63 (R.E.), has once again been marked up to Rs. 50 crores in 1963-64 owing to anticipations of larger imports of foodgrains, particularly under P. L. 480, as well as of larger internal procurement for building up reserves.

#### UNION GOVERNMENT—RESOURCES

*Revised Estimates for 1962-63:* Total revenue resources which had risen by Rs. 159 crores in 1961-62, were estimated to rise during 1962-63 by Rs. 199 crores according to the budget estimates for that year (after taking into account the effect of additional taxation of Rs. 72 crores). Under the revised estimates for 1962-63, a further improvement in total revenue of Rs. 106.9 crores over the budgeted receipts for the same year is expected (Table 3). Of this rise, which is spread both under tax and non-tax receipts, about three-fifths is accounted for by tax receipts retained by the Centre. Among the various items under tax heads, customs shows the largest rise of Rs. 23.8 crores, Union excise Rs. 21.1 crores and corporation and income-taxes Rs. 17.6 crores. Union excise duties collected by the Centre are placed higher than in the budget estimates by Rs. 31.7 crores due to the progressive increase in the production and/or clearances of a number of excisable commodities, notably, sugar, iron and steel products and motor spirit. About one-third (Rs. 10.6 crores) of this increase accrues to the States as their share of the Union excises;

consequently the yield from this source retained by the Centre shows a smaller rise of Rs. 21.1 crores.

The bulk of the rise (Rs. 42.2 crores) in receipts from non-tax sources resulted from larger receipts on account of grants under P. L. 480 (Rs. 14 crores), and interest (Rs. 9.0 crores) and receipts under the Emergency Risks (Goods) Insurance Act and the Emergency Risks (Factories) Insurance Act (Rs. 9.0 crores) brought into operation with effect from January 1, 1963.

Table 3. Resources (By Main Groups)

(Rupees Crores)

	1961-62 (Accts.)	1962-63 (R.E.)	1962-63 (R.E.)	1963-64 (B.E.)
Total Revenue Receipts	..	1037	1235	1342
Tax Revenue	..	875	888	953
Of which :				
1. Income and Corporation Taxes	..	228	247	265
2. Customs	..	212	205	232
3. Union Excise	..	409	408	429
Non-tax Revenue	..	162	347	389
Of which :				
1. Debt services	..	12	168	177
2. Net Contribution of Public Under- takings	..	66	73	73
3. Administrative Receipts	..	54	50	60
Total Capital Receipts	..	957	1313	1240
Market Borrowings :				
Internal (Gross)	..	203	255	280
External (Gross)	..	314	455	377
Investment of U.S. Government Counter- part Funds (Net)	..	54	90	60
Small Savings (Net)	..	88	105	85
Prize Bonds	..	3	5	5
All others*	..	294	403	433

\* Include unfunded debt, compulsory deposits, railway funds, reserve funds, repayments of loans by States etc.

Capital receipts had been placed at Rs. 1313 crores in the budget estimates for 1962-63 or higher by Rs. 356 crores compared to 1961-62, taking appreciably larger credit under foreign loans, internal loans, investment of U. S. Government Counter-part Funds and small savings. In the revised estimates for 1962-63, capital receipts have been placed lower at Rs. 1240 crores, a downward revision being made in the same items, except domestic loans, stated above where earlier a larger credit had been taken. Net receipts from external loans have been placed lower than in the budget estimates by Rs. 81 crores, from P. L. 480 funds by Rs. 30 crores and from small savings by Rs. 20 crores. As against these declines, domestic market borrowings of the Centre exceeded the budget expectations by a sizeable margin. Net market borrowings (including subscriptions to the 4½ per cent National Defence

Bonds) amounted to Rs. 96 crores as compared to the budget target of only Rs. 72 crores.

*Budget Estimates for 1963-64 :* On the basis of existing taxation, total revenue receipts of the Centre in 1963-64 are expected to rise by Rs. 89 crores to Rs. 1,431 crores. A large part of this rise is expected to accrue from non-tax revenue (Rs. 59 crores) while the improvement of Rs. 30 crores in tax revenue is anticipated mainly under Union excises (Rs. 27.1 crores), and corporation and income-taxes (Rs. 12.3 crores), offset by a decline of Rs. 10.4 crores in customs duties due to the tightening of import restrictions. Among non-tax revenue, the main items contributing to the rise of Rs. 59.2 crores are "interest receipts" (Rs. 40.6 crores), net contribution of public undertakings (Rs. 12.7 crores) and receipts on account of Emergency Risks Insurance premia (Rs. 27 crores). The Budget embodies proposals for additional taxation of Rs. 275.50 crores, which are referred to in detail in a subsequent paragraph. As a result of these tax proposals, the Centre's tax revenue would show a substantial rise of Rs. 295.4 crores, comprising mainly Rs. 133.7 crores under Union excise, Rs. 76.9 crores under customs, Rs. 39.5 crores under corporation tax and Rs. 42.8 crores under income-tax.

On the capital side, almost all the major heads of receipts are expected to show sizeable increases. A new feature of the budget is the centralisation of the borrowing programme of the Central and State Governments during 1963-64 in pursuance of a decision taken by the National Development Council to raise combined loans for the Central and State Governments. Such a programme is expected to facilitate a better management of debt and reduce the cost of borrowing to the State Governments. Net internal market borrowings at Rs. 213 crores (inclusive of Rs. 100 crores to be raised on behalf of the States), will be higher by as much as Rs. 116 crores than in 1962-63, external borrowings (net) by Rs. 82.1 crores, P. L. 480 counterpart funds by Rs. 30 crores and small savings by Rs. 20 crores. It is interesting to note here that the Centre's programme for net market borrowings during 1963-64 at Rs. 113 crores is noticeably larger than the annual average target for the Third Plan (viz. Rs. 95 crores). For the first three years of the Plan period, the average net market borrowings (Rs. 91 crores) very nearly approximate to the annual average target. The performance of States in this field would appear to be even better; their net market borrowings at Rs. 74 crores in 1961-62 and Rs. 85 crores in 1962-63 nearly equalled one-half of the Third Plan target of Rs. 325 crores and with a credit of Rs. 61 crores (net) for the third year, these would form over two-thirds of the five-year target. In the field of small savings where the receipts fell short of the targets in the preceding two years, the target for 1963-64 has been placed at Rs. 105 crores, the same level as in 1962-63 (B. E.), presumably taking into account the effect over a full year of the added incentives provided recently to make these savings more attractive (for details please see pp. 87 and 88).

#### TAX PROPOSALS FOR 1963-64

Details of the budget proposals for 1963-64 as originally presented to the Lok Sabha as also the subsequent concessions in and amendments to these

proposals announced by the Finance Minister in the *Lok Sabha* are set out in the Appendix I. Table 4 summarises the yield from additional taxation under major individual heads.

Table 4. Tax Proposals

(Rupees Crores)

Tax Heads		ESTIMATED ADDITIONAL YIELD	
		As originally proposed	As amended
<b>I. Direct</b>			
Corporation tax	..	6.00	6.00
Super Profits tax	..	25.00	20.00
Income-tax	..	39.00	39.00
Wealth tax	..	0.40	0.40
<b>Total of I</b>	..	70.40	65.40
<b>II. Indirect</b>			
<b>Union Excise</b>			
(i) Enhancement of existing rates	..	60.28*	56.28†
(ii) Surcharge on excise on selected items	..	55.93	55.93
<b>Customs</b>			
(i) Increase in import duties (including countervailing duties)	..	70.28	63.28
(ii) Surcharge on basic import duty on all items	..	18.89	18.89
(iii) Change in the basis for levy of countervailing duty	..	3.60	3.60
(iv) Abolition of export duty on tea	..	-5.38	-5.38
<b>Sales Tax</b>			
Amendment to the Central Sales Tax Act	..	1.50	1.50
<b>Total of II</b>	..	205.10	194.10
<b>III. Grand Total</b>	..	275.50*	259.50†

\* Including Rs. 9.60 crores being the States' share of Union excise duties.

† Including Rs. 8.80 crores of States' Share of Union excise duties.

A far-reaching proposal in the field of corporate taxation is the one which seeks to impose a *Super Profits Tax* on companies on their total income@ as reduced by the income-tax and super tax chargeable thereon as if no deduction of income-tax and super tax had been admissible on any portion of this income. Where such reduced income exceeds 6 per cent of the capital and reserves (excluding such amount of reserves which are allowed as deduction in computing total income for purposes of income-tax), super profits tax at 50 per cent will be leviable on such income above six per cent but not above ten per cent of the capital and at 60 per cent on the balance of the income. This was estimated to bring in Rs. 25 crores. The Super Profits Tax Bill was subsequently amended in the *Lok Sabha* providing for a number of substantial concessions in regard to both the computation of chargeable profits and the capital.

@ Excluding income from three specific items referred to in page 118 of Appendix I.

base to ensure that the corporate sector is not deprived of resources for new development as well as for meeting committed obligations, such as debt repayments. In particular, the amended bill allows for companies in general a deduction from profits chargeable to Super Profits Tax a sum equal to 10 per cent of the total income before tax, provided the amount is utilised for certain specified purposes; in addition certain deductions and exemptions are permitted in respect of the income from new industrial undertakings and hotels, export profits, dividends, royalties, interest on foreign loans and tax paid on income earned abroad. The statutory development rebate reserve is to be treated as part of the reserve for inclusion in the capital. Further, where there are no chargeable profits or where the profits fall short of the standard deduction, viz., 6 per cent of the capital base or Rs. 50,000 whichever is greater, the companies have been allowed to carry forward the deficiency and set it off against chargeable profits of the following years for a period of three assessment years immediately following. The estimated yield from the amended Super Profits Tax is placed at Rs. 20 crores for 1963-64.

Another proposal in corporate taxation, which will benefit the exchequer indirectly, is the one for restricting, in the case of companies, the deduction for expenditure on account of remuneration and perquisites to Rs. 60,000 per annum for an individual employee. A subsequent amendment to this provision has exempted the employees of foreign nationalities from the ceiling limit.

In the personal income-tax field, additional revenue is sought to be raised through (1) a surcharge, rising progressively from 4 per cent to 10 per cent, on the incomes after tax, of individuals, Hindu undivided families, unregistered firms and associations of persons and (2) a surcharge of 20 per cent on the income-tax payable by registered firms\*. The additional yield from these proposals and the withdrawal of exemption limits for existing surcharges on income-tax and special surcharge, is estimated at Rs. 45 crores, of which Rs. 12 crores are expected to accrue as compulsory deposits. In addition, certain amendments to the Income-tax Act have been introduced mainly to expedite tax collections as well as recovery of arrears. The measures to expedite the tax collections and the curb on salaries and perquisites will bring in Rs. 12 crores.

As regards indirect taxes, the basic import duties were proposed to be enhanced on a number of items, comprising mainly intermediate goods, such as iron and steel products, rubber, tobacco, motor vehicle parts etc., a few consumption goods, such as kerosene, motor spirit and diesel oil and capital goods such as machinery. The increase was relatively sharp on certain consumption goods particularly kerosene, motor spirit and diesel oil. The additional yield from these proposals will be Rs. 66.0 crores. Besides the enhancement of the basic import duties, it was also proposed to levy for a period of one year a surcharge of 10 per cent on the import duty on all items in the import schedule to yield Rs. 18.9 crores. Additional revenue (Rs. 3.6 crores) under customs would also accrue as a result of the proposal to change the basis for levying countervailing duties according to which the duties on goods which are

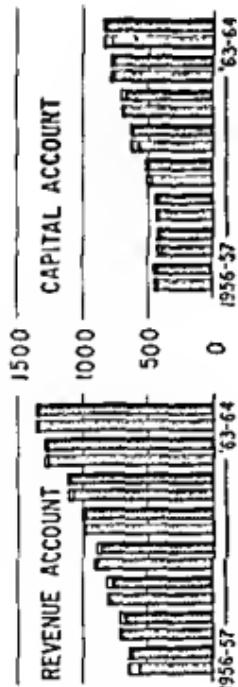
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\* By a subsequent amendment the surcharge of 20 per cent is made applicable to the income-tax attributable to business income of registered firms; for all other incomes the surcharge will be only 10 per cent of the income tax attributable to such income. The reduction in the yield on this account is small.

subjected to *ad valorem* excise duties would be calculated on the landed cost inclusive of the basic import duties instead of on the c.i.f. price of the product. Apart from raising revenue to the exchequer, the import duties are specially designed to act as fiscal restraints on imports and thus reinforce the operation of direct control on imports, to divert to the exchequer a larger share of the profits made by importers and encourage import substitution.

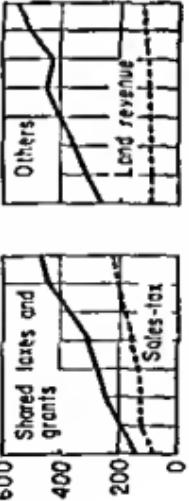
The basic excise duty was proposed to be enhanced (to yield Rs. 60.3 crores) on about 9 items—kerosene, motor spirit, tobacco and cigarettes, vegetable products, paints and varnishes, soap, etc.; the increase in the excise duty on kerosene, motor spirit and diesel oil is relatively sharper than that on other items. Following the increase in excise duties, corresponding increases in *countervailing duties* have been proposed and these will bring in Rs. 4.3 crores. Further, a surcharge varying from 10 per cent to 33½ per cent was proposed to be levied for a period of one year, on the basic excise duty on about 40 items, most of which fall under the category of intermediate and consumption goods. The additional yield on account of the surcharges will be Rs. 55.9 crores. In order to offset the effect of the increase in the duty on kerosene, the abolition of the excise duty on unprocessed vegetable non-essential oil, including ordinary edible oils, has been proposed at a cost of Rs. 10.3 crores. In order to mitigate the hardship to the poorer sections of the community, the additional duties on kerosene have subsequently been reduced by about 50 per cent on inferior kerosene and by about 20 per cent on superior kerosene. The loss of revenue on this account is estimated at Rs. 10.20 crores to the Centre (Rs. 7 crores under customs and Rs. 3.20 crores in Central excises), and Rs. 80 lakhs to the States. Further the import duty on certain types of machinery and equipment needed by the coal and fertiliser industries have been reduced; but its effect on revenue is not estimated. A new feature of the tax measures this year is the proposal to take power to impose a customs duty or enhance the customs and excise duties within specified limits (10 per cent *ad valorem* for goods subject to excise duty and that rate or 25 per cent of the existing statutory rate, whichever is higher, for imports) during the course of the year.

Among the proposals designed to encourage exports, the concession to income-tax payers on income earned on exports introduced last year is being continued this year also. In addition, manufacturers who are engaged in any industries listed in the First Schedule to the Industries (Development and Regulation) Act, 1951 (except certain specified industries), and who export their goods themselves or where the goods manufactured by them are exported by the first purchasers from them, will be allowed a further rebate of income-tax and super-tax upto 2 per cent of the value of such exports. The export duty on tea has been totally withdrawn, and this would put the foreign consumer completely at par in this matter with the domestic consumer of Indian teas, but at the same time, the rebate of excise duty payable on exported tea has been withdrawn. This proposal would bring in an additional revenue of Rs. 3.23 crores a year, under the head "Union excise duties", but would involve a loss of Rs. 5.38 crores on the customs side. Finally, mention may also be made of the provision of Rs. 3 crores in the budget for 1963-64 for developing new markets abroad for exports.



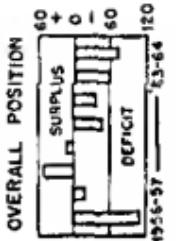
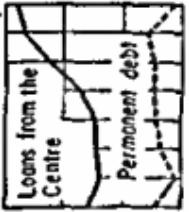
### RECEIPTS

### REVENUE ACCOUNT



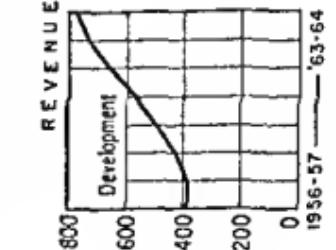
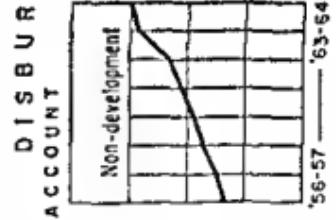
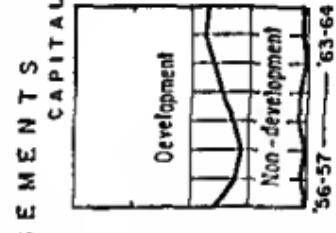
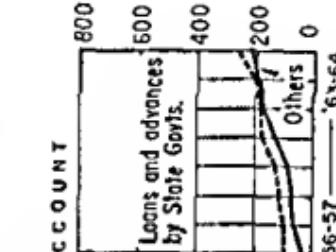
### CAPITAL ACCOUNT

### CAPITAL ACCOUNT

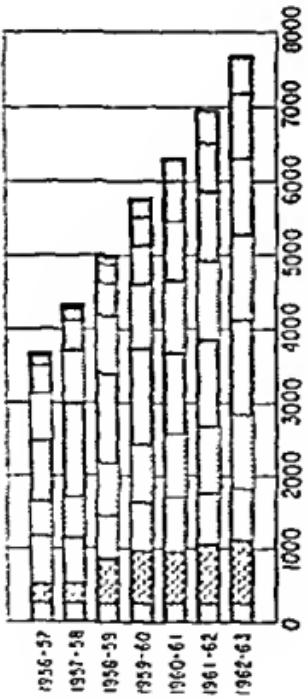


## BUDGETARY POSITION OF STATE GOVERNMENTS

1956-57 TO 1963-64  
(CRORES OF RUPEES)



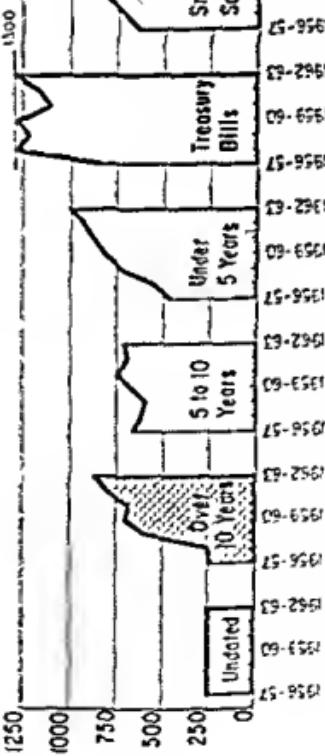
**DEBT POSITION (PRELIMINARY) OF  
THE GOVERNMENT OF INDIA  
(CRORES OF RUPEES)**



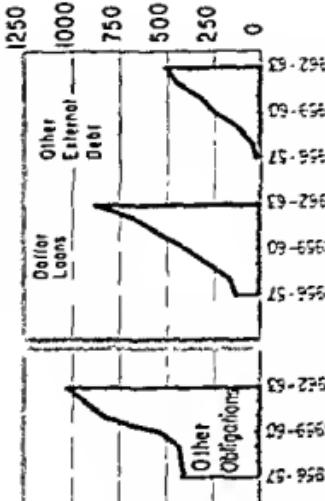
**RUPEE DEBT**

- Undated
  - Over 10 Years
  - 5 to 10 Years
  - Under 5 Years (including Private Bonds and Premium Trust Bonds)
  - Treasury Bills
  - Small Savings
  - Other Obligations
- EXTERNAL DEBT**
- Dollar Loans
  - Other External Debt

**RUPEE DEBT**



**EXTERNAL DEBT**



In addition to the changes in direct and indirect taxes, referred to above, the Finance Minister also proposed a series of increases in postal, telegraphic and telephone rates to strengthen the resources of the Posts and Telegraphs Department; these increases are expected to yield an additional revenue of Rs. 4.6 crores. Some of the existing facilities, namely, local post cards, local telegrams and the concession in respect of priority trunk telephone calls are proposed to be withdrawn. The additional revenue from the above proposals will not have any effect on the revenue budget as the surplus of the Posts and Telegraphs Department, like the surplus of the Railways, is credited to its Renewals Reserve Fund.

To supplement the tax effort, and to introduce a measure of austerity among all sections of the community commensurate with the claims of defence and development a comprehensive scheme of compulsory savings has been introduced. A separate bill known as the *Compulsory Deposit Scheme Bill*, 1963 was presented to the Parliament along with other budget proposals. The Bill provided for compulsory saving on the part of different sections of the people on appropriate scales, subject to certain maxima as set out in the Appendix. Deposits under the Scheme would not be withdrawable for a period of five years and will carry simple interest at 4 per cent per annum. Total collections under the Scheme, according to the Finance Minister, might, on an approximate basis, amount to between Rs. 65 crores and Rs. 70 crores. The proceeds were to be shared between the Centre and the States and the Central budget for 1963-64 took credit for a sum of Rs. 40 crores under the Scheme.

The Compulsory Deposit Scheme Bill was reconsidered by the Finance Ministry in close consultation with the State Governments and as a result of the analysis made, several amendments have been introduced to make the administration of the Scheme simpler and to avoid undesirable consequences. The more important concessions now granted relate to exemption from the compulsory deposit liability (1) to all those whose land revenue liability is less than Rs. 5 per annum, (2) to those who are liable to taxes on professions but whose income is not yet large enough to bring them within income-tax range, (3) to those whose salary income is Rs. 1,500 or more per annum, but below the income-tax level, and save 11 per cent or more of their income by way of contributions to provident fund, life insurance premia or to 10 and 15-year Cumulative Time Deposits and (4) to those urban property owners, if they are already paying tax on income, in which their income from the urban property would anyhow be included. The collections from the amended scheme are now estimated at Rs. 60 crores (against Rs. 65—Rs. 70 crores originally estimated). Of these, Rs. 25 crores will accrue to the Centre and Rs. 35 crores to the States.

#### UNION GOVERNMENT—PUBLIC DEBT

The interest-bearing obligations of the Government of India rose during 1962-63 by Rs. 897 crores, from Rs. 6,794 crores\* at the end of March 1962 to Rs. 7,691 crores at the end of March 1963; these are expected to rise further by Rs. 1,365 crores during 1963-64, to Rs. 9,056 crores at the end of March 1964. Internal obligations accounted for the bulk of the increase, rising from Rs. 5,704 crores as at the

\* Figures given here are based on revised estimates for 1961-62 and 1962-63. Actuals in respect of certain items such as net market borrowings and small savings are given later.

As stated earlier, the market borrowing programmes of the Centre and States during 1963-64 have been centralised. The budget for 1963-64 has taken credit for gross market borrowing of Rs. 393 crores (excluding receipts from Premium Prize Bonds, 1963 estimated at Rs. 6 crores and Gold Bonds 1977 at Rs. 1 crore but including receipts from 4½ per cent National Defence Bonds 1972). Net market borrowing, after taking into account repayments of Rs. 180 crores, would amount to Rs. 213 crores (inclusive of Rs. 100 crores to be raised on behalf of States). On May 8, 1963, as the first instalment of their borrowing programme, the Government of India entered the market with an offer to holders of 3½ per cent Bonds 1963 and 3 per cent Loan 1963-65 for conversion into (1) a new 4 per cent six-year loan at an issue price of Rs. 99.50 and carrying a redemption yield of 4.09 per cent and (2) a 4½ per cent twenty-three year loan to be issued at par. The total amount tendered for conversion was Rs. 138.79 crores approximately—Rs. 85.69 crores for 4 per cent Loan 1969 and Rs. 53.10 crores for 4½ per cent Loan 1986.

Interest-yielding assets of the Union Government amounted to Rs. 6,496 crores at the end of March 1963, representing an increase of Rs. 799 crores over the year and constituted four-fifths of the total interest-bearing obligations. The increase of Rs. 799 crores in interest-yielding assets comprised of increases of Rs. 440 crores in loans to States, Rs. 195 crores in capital advanced to Railways, Rs. 145 crores in investments in commercial concerns and Rs. 20 crores in capital advanced to other commercial departments.

**Composition of Debt:** A breakdown of the Government of India's debt by major categories is given below.

				(Rupees Crores)	
			End-March		
			1961	1962	1963
Rupee loans	...	...	2571	2688	2841
Treasury bills	...	...	1106	1175	1300
Small savings	...	...	975	1061	1128
Other obligations	...	...	826	931	1036
	Total	...	5478	5855	6304
External loans	...	...	846	1111	1379
Of which dollar loans	...	...	521	651	869

Of the total rupee debt of Rs. 6304 crores as at the end of March 1963, debt in the form of rupee loans accounted for 45 per cent, Treasury bills for 21 per cent and small savings for 18 per cent. The maturity distribution of rupee loans\* in 1962-63 showed more or less the same pattern as in 1961-62, but the short-dated loans (maturing in 5 years) gained further importance in the total relatively to the short-mediums (maturing between 5 and 10 years) and the undateds. Short dated loans which had risen continuously from 26.1 per cent at the end of March 1956 to 34.4 per cent of the total at the end of March 1962, rose further to 35.3 per cent at the

\* Loans bearing two dates have been classified as maturing on the earlier date.

end of March 1963. At the other end, the proportion of undated loans to the total, which had declined from 17.1 per cent at the end of March 1962 to 9.6 per cent at the end of March 1963, came down further to 9.1 per cent at the end of March 1963. The share of loans maturing between 5 and 10 years which had fallen from 29.4 per cent at the end of March 1962 to 26.0 per cent at the end of March 1963 declined further to 25.0 per cent at the end of March 1963; as against this, the proportion of loans maturing after 10 years, rose fractionally from 30 per cent to 30.6 per cent.

During the year 1962-63, the outstanding Treasury bills rose by Rs. 125 crores\* as against a rise of Rs. 69 crores in 1961-62. If the funding of Rs. 50 crores of Treasury bills in December 1962 is not taken into account, there would be a rise of Rs. 175 crores as compared to a rise of Rs. 119 crores in 1961-62 (not taking into account the funding of Rs. 50 crores of Treasury bills in February 1962). The rise in the outstanding of Treasury bills was more than accounted for by the Reserve Bank whose holdings at Rs. 1048 crores showed a rise of Rs. 136 crores; but for the funding of Rs. 50 crores mentioned above, the Reserve Bank's holdings of Treasury bills would show a larger rise of Rs. 186 crores, as against a rise of Rs. 76 crores in 1961-62. The investment of State Governments and other approved bodies, on the other hand, showed a decline of Rs. 13 crores at Rs. 221 crores as against a rise of Rs. 43 crores in 1961-62. Total net sales of Treasury bills (including intermediates) to the public during 1962-63 amounted to Rs. 90 lakhs.

**Small Savings:** According to provisional data, net receipts from small savings in 1962-63 amounted to Rs. 78 crores\*\* showing a substantial decline of Rs. 8 crores over the net receipts in 1961-62 (Rs. 86 crores); net receipts in 1962-63 were also smaller in relation to the revised estimates for that year of Rs. 85 crores which, in fact, had been lowered from the original target of Rs. 105 crores. The annual (average) target for the Third Plan period is placed considerably higher at Rs. 120 crores. The budget for 1963-64 takes a credit of Rs. 105 crores under this head. Meantime, the shortfall in collections in relation to the revised estimates for 1962-63 was noticed mainly under Post Office Savings Bank Deposits. Despite an increase of 1 per cent in the interest rates on Post Office Savings Bank Deposits effective August 1, 1962, there were, in fact, net withdrawals of Rs. 1.26 crores in deposits during 1962-63, as against a net addition of Rs. 9.79 crores (exclusive of interest) assumed in the revised estimates. However, if account is taken of the interest accruals to these deposits of Rs. 10.46 crores (provisional) for 1962-63, the outstandings would show a rise of only Rs. 9.2 crores as against a credit of Rs. 21.50 crores taken in the revised estimates. Collections from Defence Deposit Certificates§ at Rs. 8.79 crores, however, fell short of the revised target for 1962-63 (Rs. 12.30 crores) by Rs. 3.51 crores but were higher by Rs. 4.08 crores as compared to those in 1961-62. Accruals to cumulative time deposits at Rs. 5.33 crores were somewhat short of the target for the year, but were larger by Rs. 2.09 crores as compared to those in 1961-62. On

\* Actual rise based on Reserve Bank data.

\*\* Including accrued interest in respect of Post Office Savings Bank Deposits.

§ Including net collections from the 4 per cent Treasury Savings Deposit Certificates and adjusting for repayments in respect of the 3½ per cent Treasury Savings Deposit Certificates.

the other hand, net collections of National Defence Certificates\* at Rs. 54.34 crores exceeded the revised target for 1962-63 by Rs. 9.39 crores and by Rs. 11.38 crores as compared with the net collections in 1961-62.

During the year, the following measures were taken to popularise small savings movement and to maximise small savings collections: (1) The rate of interest payable on Post Office Savings Bank Deposits has been stepped up from 2½ to 3 per cent per annum with effect from August 1, 1962, on deposits upto Rs. 10,000 in individual accounts (upto Rs. 20,000 in joint accounts) and from 2 to 2½ per cent on the balances in excess thereof as also on public accounts. (2) Effective October 1, 1962, the Government allowed the holders of the 15-year Annuity Certificates the facility of surrendering their certificates at any time, after a lock-up period of 12 months from the date of deposit, and obtaining the commutation value thereof. (3) With the advent of emergency, the existing 10-year Treasury Savings Deposit Certificates and 12-year National Plan Savings Certificates were replaced by 10-year Defence Deposit Certificates (with effect from November 10, 1962) and 12-year National Defence Certificates (with effect from November 15, 1962) carrying a higher rate of interest of 4.50 percent (compound) and 4.75 per cent (compound), respectively, against the rates on the old certificates of 4 per cent (compound) and 4.25 per cent (compound), respectively. The maximum limits of investments in the above certificates, inclusive of the investment, if any, in the earlier series, have been raised from Rs. 25,000 to Rs. 35,000 in the case of an individual and from Rs. 50,000 to Rs. 70,000 in the case of two persons jointly. (4) The number of post offices doing Savings Bank work is being steadily increased. The hours of Savings Bank work in post offices in big cities or those near factories have been increased to suit the convenience of the investors of the locality. (5) The Post Office Savings Bank has been enrolled as a sub-member of the clearing house at all the places where it is being managed by the State Bank of India. The Director-General of Posts and Telegraphs has issued instructions to heads of all postal circles that the Post Office Savings Bank should become sub-member of the clearing houses at all centres where such houses have been established. As on the 31st March 1963, the Post Office Savings Bank had been admitted as sub-member at all the clearing houses managed by the Reserve Bank of India and at 34 centres where these are managed by the State Bank of India. (6) A new 15-year Account under the Cumulative Time Deposit Scheme was introduced with a maximum limit of deposits of Rs. 300 per month with interest at 4.3 per cent (compound) per annum, free of income-tax. The maximum limit of Rs. 100 per month in the case of 10-year account was increased to Rs. 200 per month. The monthly deposits in the two accounts are now granted income-tax rebate like life insurance premia and contributions to provident funds. (7) The rate of commission payable to authorised agents for canvassing investments in Treasury Savings/Defence Deposit and Annuity Certificates has been increased from ½ per cent to 1 per cent. (8) A modified Pay-Roll Savings Scheme for application to Government Offices has been evolved; remuneration at 1 per cent on collections

\* Including net collections from the earlier issues of 12-year National Plan Savings Certificates and adjusting for repayments in respect of all uncurrent National Savings and Plan Certificates.

in Savings Certificates and Cumulative Time Deposit Scheme will be paid to the cashiers or other disbursing authorities operating the Scheme.

During 1962-63, the States were granted Rs. 54 crores as loans from the total collections of small savings as against Rs. 61 crores in 1961-62 and Rs. 72 crores in 1960-61.

*Premium Prize Bonds:* The 5-year Interest-Free Prize Bonds, 1965, which were on tap since April 1, 1960, were discontinued with effect from the close of business on the 30th June 1962. A new scheme of Premium Prize Bonds, 1963 was introduced with effect from January 1, 1963 and will run through the calendar year 1963 only. These bearer bonds, issued at par and repayable at a premium after 5 years from the date of sale, are available in two denominations of Rs. 100 and Rs. 5. The redemption value has been fixed at Rs. 5.50 for every Bond of Rs. 5 denomination and Rs. 110 for every Bond of Rs. 100 denomination. The Bonds will also be eligible for participation in two draws for prizes which will be held in the year 1964, but unlike in the earlier series, only sold Bonds will be considered for prize-draws. Both premium and prize money are exempt from income-tax.

In addition to the measures taken to mobilise resources under the stress of the emergency, referred to earlier, Government instituted a National Defence Fund on October 27, 1962 to canalise voluntary contributions in cash, gold and other forms for the defence of the country. In the revised estimates for 1962-63, a credit of Rs. 47.25 crores has been taken under this head and the Budget for 1963-64 assumes a further credit of Rs. 19.75 crores. Actual contributions in cash to the Fund upto May 5, 1963 amounted to Rs. 53.19 crores.

*Central Government Cash Balances:* Over the eleven months ended February 1963, the cash balances of the Government of India with the Reserve Bank and at Government Treasuries showed a rise of Rs. 64.37 crores to Rs. 112.87 crores as against a nominal rise of Rs. 11 lakhs to Rs. 48.50 crores in 1961-62.

#### STATE GOVERNMENTS—OUTLAYS

Total expenditure of the States (revenue and capital accounts taken together) rose by Rs. 283 crores in 1962-63, on top of a rise of Rs. 170 crores in 1961-62, and is expected to go up by a further Rs. 136 crores during 1963-64; the increase in 1963-64 is, however, a little under one-half of that in 1962-63 (Table 5). While in 1961-62 a major portion of the increase in total expenditure was on development, in 1962-63 non-development expenditure, particularly debt servicing, and loans and advances, accounted for a larger share of the total increase. Total Development expenditure which had amounted to Rs. 975 crores in 1961-62 rose to Rs. 1035 crores in 1962-63 and further to Rs. 1116 crores in 1963-64; but the increase has not been evenly spread under all the developmental heads. For instance, the expenditure on education, agriculture, medical and public health, irrigation and navigation, electricity schemes and industrial development has been pushed up sizeably both in 1962-63 and 1963-64. On the other hand, expenditure on multipurpose river valley schemes and buildings and roads shows perceptible declines for 1963-64 while that on rural and community development and civil works, which had risen in 1962-63, has been kept virtually at the same level during 1963-64.

Loans and advances by States rose by Rs. 29 crores in 1962-63 and are expected to show a further substantial rise of Rs. 59 crores in 1963-64. Statewise, Maharashtra accounts for an increase of as much as Rs. 37 crores under loans during 1963-64, of which Rs. 30 crores is on account of ways and means advances to Zilla Parishads to be adjusted against grants payable to them later in the year.

Under non-development expenditure, the mounting interest burden is reflected in a stepping up in the provision for debt services by Rs. 65 crores in 1962-63 and by a further Rs. 14 crores in 1963-64. Owing mainly to the provision of expenditure associated with the emergency, the item "other non-Development expenditure" shows an increase of Rs. 12 crores in 1963-64 against an increase of Rs. 3 crores in 1962-63. Reflecting presumably the drive for economy in expenditure undertaken by several

Table 5. Disbursements (By Main Groups)

			(Rupees Crores)		
			1961-62 (Accts.)	1962-63 (B.L.C.)	1963-64 (B.L.C.)
I.	Total Revenue Expenditure	...	1121	1264	1295
(a)	Development	...	660	736	731
1.	Education	...	233	253	233
2.	Agriculture, etc.	...	76	96	90
3.	Medical & Public Health	...	91	103	107
4.	Rural and Community Development	...	58	61	61
5.	Civil Works	...	81	81	88
6.	Others (Residual)	...	113	132	130
(b)	Non-Development	...	461	528	564
1.	Collection of Taxes, etc.	...	62	65	63
2.	Debt Services	...	100	155	165
3.	Civil Administration	...	183	193	202
4.	Others (Residual)	...	114	115	114
II.	Total Capital Expenditure	...	669	761	778
(i)	Capital Outlay	...	320	401	369
(ii)	Development	...	315	378	354
1.	Multipurpose River Valley Schemes	...	56	59	55
2.	Irrigation and Navigation	...	81	92	93
3.	Electricity Schemes	...	26	37	31
4.	Buildings and Roads	...	116	136	129
5.	Industrial Development	...	25	37	28
6.	Others (Residual)	...	10	17	16
(iii)	Non-Development	...	5	23	15
(ii)	Loans and Advances by States	...	179	212	208
(iii)	Other expenditure	...	170	148	201
III.	Grand Total (Revenue and Capital Accounts)	...	1790	2025	2073
					2209

States, the expenditure on civil administration, which had moved up by Rs. 17 crores in 1962-63 to Rs. 202 crores, has been maintained at almost the same level in 1963-64.

#### STATE GOVERNMENTS — RESOURCES

*Revised Estimates for 1962-63 and Budget Estimates for 1963-64:* Total revenue receipts of States registered a rise of Rs. 62 crores in 1961-62 and of Rs. 186 crores in 1962-63 which also include the effect of fresh taxation of Rs. 15 crores in 1961-62 (or Rs. 21 crores in a full year), and Rs. 34 crores in 1962-63 (or Rs. 59 crores in a full year). During 1963-64, total revenue receipts are expected to rise further by Rs. 92 crores on the basis of existing taxation (Table 6). About two-thirds of the increase in 1963-64 is on account of tax revenue. Of the increase of Rs. 61 crores, in 1963-64, in tax revenue, as much as Rs. 54 crores is derived from expansion in revenue on account of taxes levied by the States, the States' share in Central taxes showing a rise of only Rs. 7 crores.\* In 1962-63, tax revenue rose by Rs. 101 crores made up of Rs. 58 crores on account of States' taxes and Rs. 43 crores on account of Central taxes. The importance of the share from Central taxes in the tax structure of States had tended to diminish somewhat since 1960-61; its share in the total, which had risen from 21 per cent in 1955-56 to 30 per cent in 1960-61, declined to 27-29 per cent in the subsequent years. The increase in tax revenue in 1962-63 and 1963-64 is shared by all the tax heads, but it is substantial under general sales tax (a rise of Rs. 16 crores in 1962-63 and a further rise of Rs. 8 crores in 1963-64), land revenue and motor vehicles tax (showing an increase of Rs. 11-14 crores and Rs. 6 crores each in 1962-63 and 1963-64). Under non-tax revenue, grants from the Centre showed a sizeable increase of Rs. 28 crores in 1962-63, as a sequel to the large devolution of resources recommended by the Third Finance Commission. In 1963-64, however, the expected rise is smaller (Rs. 13 crores). Among other non-tax heads, the net contribution of public undertakings rose by Rs. 3 crores in 1962-63 and is expected to rise by as much as Rs. 12 crores in 1963-64.

Loans† from the Centre amounting to Rs. 451 crores in 1961-62, Rs. 537 crores in 1962-63 and Rs. 558 crores in 1963-64, constitute the principal source of capital receipts for States. In 1963-64 these accounted for 71 per cent of total capital receipts of States, as compared to 60 per cent in 1960-61 and as much as 79 per cent in 1955-56. If, however, loans from the Centre in lieu of States' market borrowing during 1963-64 placed at Rs. 100 crores in the Centre's Budget and special loans granted to seven States in 1962-63 are excluded, Centre's loan assistance to States during 1963-64 would be slightly lower than in 1962-63. But, if account is taken of the States' share of Rs. 35 crores in the compulsory savings deposits, Centre's loan assistance to

\* Excluding States' share (Rs. 8-80 crores) as a result of the enhancement of Union excise duties in the 1963-64 amended Budget of the Centre and Rs. 21 crores accruing to the States as a result of the amendments to the Central Sales Tax Act.

† Loan receipts during 1961-62 and 1962-63 include, besides assistance for financing the Plan, special assistance to four and seven States, respectively, to enable them to clear their unauthorised overdrafts with the Reserve Bank; for 1963-64, these include States' share of the combined market borrowings to be raised by the Centre, under the centralised borrowing programme, except for one or two States, e.g. Maharashtra which do not seem to have taken credit for their share of the proceeds in their budget for 1963-64. Figures of loans from the Centre given above, are based on States' budget documents and differ somewhat from those given earlier in Centre's outlays, based on Government of India Budget.

States during 1963-64 would be sizeably larger than in 1962-63. The total resources transferred by the Centre to the States\* in the form of shared taxes, grants and loans have shown a progressive increase, rising from Rs. 424 crores in 1955-56 to Rs. 982 crores in 1962-63. For 1963-64, total resources to be transferred are placed at Rs. 1,009 crores; if, however, account is taken of the additional resources that will accrue to the States as a result of the Union Budget proposals for 1963-64, namely, of (1) Rs. 8.80 crores as additional share in Union excise duties, (2) Rs. 21 crores as a result of the amendment to the Central Sales Tax Act and (3) Rs. 35 crores from the compulsory deposits, the total resources to be transferred would amount to Rs. 1,074 crores.

Table 6. Resources (By Main Groups)

(Rupees Crores)

	1961-62 (Accis.)	1962-63		1963-64
		(B.E.)	(R.E.)	(B.E.)
I. Total Revenue Receipts . . .	1074	1230	1260	1354 (1352)
I. Tax Revenue . . .	663	721	764	827 (825)
(a) Share from Centre*	179	209	222	229
(b) States' own resources .	484	512	542	598 (596)
II. Non-Tax Revenue . . .	411	509	496	528
(a) Grants from Centre .	195	245	223	236
(b) Administrative receipts ...	86	84	88	95
(c) Net contribution from public enterprises ..	47	55	50	62
(d) Others (Residual)... .	83	125	135	135
II. Total Capital Receipts . . .	700	730	757	783
(a) Permanent debt .	93	81	109	23
(b) Loans from the Centre .	451	479	537	558
(c) Others (Residual) . .	156	170	111	202
III. Grand Total (I+II) . . .	1774	1960	2017	2137 (2135)

*Note:-* Figures in brackets indicate the position before taking into account additional tax proposals.\*

\* Comprises share of income-tax, estate duty and Union excise.

## TAX PROPOSALS 1963-64

Details of the proposals in regard to additional taxation by States are given in the Appendix II. The Table below summarises the yield from additional taxation under major individual heads.

As many as twelve States proposed additional taxation, expected to bring in an aggregate additional revenue of Rs. 37 crores in 1963-64. While all the States resorting to additional taxation proposed a further stepping up of the rates of existing taxation,

\*Figures are based on Government of India budget documents.

as many as nine States introduced new measures of taxation. Of the new measures, the proposed tax on advertisements in cinemas by Rajasthan deserves special mention. The new levies proposed by the remaining eight States are tax on urban immovable property by Assam, duty on consumption of electricity by Jammu and Kashmir, a tax on passengers and goods carried by motor vehicles by Kerala, water rates by Madhya Pradesh, tax on areas under commercial crops by Punjab, a tax on goods carried by road in private carriers by Maharashtra and a toll on new roads and bridges by Orissa.

As regards enhancement of existing rates, most of the States have stepped up the sales tax on certain luxury items uniformly by 3 percentage points to 10 per cent in pursuance of a decision arrived at in this behalf at a conference of Finance Ministers held in February last. A few States have, however, brought certain items of necessities within the ambit of the sales tax, e.g. foodgrains in Madhya Pradesh and kerosene in Assam. Jammu and Kashmir, which had introduced an agricultural income-tax only last year, came forward with proposals for enhancement of the rates this year. The motor vehicles taxation rates have been put up in Andhra Pradesh, Assam, Gujarat, Orissa, Punjab and Rajasthan, entertainment duties have been enhanced in Gujarat, Kerala and Punjab, and stamps and registration in Assam, Gujarat, Orissa and Rajasthan. A few States have incorporated in their budget proposals measures to raise additional non-tax revenues, e.g. enhancement of tuition fees in colleges by Kerala, creation of a State monopoly for trading in "Kendu" leaves\* by Madhya Pradesh and an increase in royalty rates on minor minerals by Rajasthan.

Table 7. Estimated Yield from Budget Proposals

									Yield (Rupees Crores)
General Sales Tax	---	---	---	---	---	---	---	---	11.0
State Excise	---	---	---	---	---	---	---	---	3.0
Motor Vehicles Tax (including tax on freight and passenger fares)	---	---	---	---	---	---	---	---	6.2
Land Revenue and water rates	---	---	---	---	---	---	---	---	2.8
Stamp duty	---	---	---	---	---	---	---	---	2.2
Electricity duty	---	---	---	---	---	---	---	---	2.8
Entertainment tax	---	---	---	---	---	---	---	---	0.5
Tax on Agricultural land holdings	---	---	---	---	---	---	---	---	0.3
Assessment on non-agricultural land	---	---	---	---	---	---	---	---	1.4
Levy on areas under commercial crops	---	---	---	---	---	---	---	---	0.9
Other tax proposals (including those for which break-up is not available)	---	---	---	---	---	---	---	---	3.3
Non-tax proposals	---	---	---	---	---	---	---	---	2.6
								Total	37.0

Subsequently, four States, namely, Gujarat, Kerala, Punjab and Rajasthan announced certain modifications in their proposals at a cost of Rs. 0.8 crore, Rs. 1.3 crores, Rs. 0.2 crore and Rs. 1.6 crores, respectively, or Rs. 3.9 crores in the aggregate. Details of these concessions are given in Appendix.

\* Leaves used in the manufacture of "biris".

## STATES GOVERNMENTS-PUBLIC DEBT

A break-up of the gross debt of the States, presented in the table below, shows a rise of Rs. 452 crores to Rs. 3599 crores in the total debt of the States over the year 1962-63, as compared to a rise of Rs. 410 crores in 1961-62. In both years, by far the major portion of the increase in debt (86 per cent in 1962-63 and 73 per cent in 1961-62) was accounted for by loans from the Centre.

(Rupees Crores)

		End-March		
		1961	1962	1963
(i) Permanent Debt	.. ..	493	569	643
(ii) Floating Debt	.. ..	42	50	13
(iii) Loans from Central Government	.. .. .	2015	2315	2703
(iv) Other Debt	.. ..	52	64	78
(v) Unfunded Debt	.. ..	135	149	162
Total Debt	.. ..	2737	3147	3599

Apart from providing larger loan assistance to the States for financing plan outlays, the Centre was called upon to grant *ad hoc* loans amounting to Rs. 74 crores in 1962-63 to seven States to clear their unauthorised overdrafts with the Reserve Bank; such *ad hoc* loans amounting to Rs. 30 crores were also provided to four States during 1961-62. Loans from the Centre constituted about 75 per cent of the total outstanding debt of the States as at the end of March 1963, as compared with 74 per cent a year before. Permanent debt (comprising market loans and certain other categories of debt like Zamindari Abolition Compensation Bonds and Encumbered Estate Act Bonds) recorded a rise of Rs. 74 crores to Rs. 643 crores. Floating debt, on the other hand, declined by Rs. 37 crores. Unfunded debt showed a rise of Rs. 13 crores. Other debt, including loans from the National Agricultural Credit (Long-term Operations) Fund of the Reserve Bank of India, loans from the National Co-operative Development and Warehousing Board, loans from the Khadi and Village Industries Commission, the Employees' State Insurance Corporation etc. together showed a rise of Rs. 14 crores.

*State Loans:* During 1962-63, all the States, with the exception of Jammu and Kashmir, entered the market for fresh loans for an aggregate amount of Rs. 93.50 crores. A feature of the States' new loans during 1962-63 was that, like the Central loans, they carried a higher rate of interest (4½ per cent) than in 1961-62 (4⅓ per cent). All the loans carried a uniform maturity of 12 years. While the loans of nine States were available for cash subscriptions only, those of Madhya Pradesh, Madras, Maharashtra, U.P. and West Bengal carried the conversion facility as well; the maturing 3½ per cent Madhya Pradesh Loan, 1962, 3½ per cent Madras Loan, 1962, 3 per cent Bombay Provincial Development Loan, 1962, 3½ per cent Bombay State Development Loan, 1962, 3½ per cent U.P. Loan, 1962 and 3½ per cent West Bengal Loan, 1962 (with an aggregate amount of Rs. 15.6 crores) were accepted for conversion at par

into the new loans of the respective State Governments. Excepting the Maharashtra and Gujarat Loans which were issued at par, the other loans were offered at discounts ranging from 25 n.P. to 50 n.P. The redemption yield ranged from 4.50 per cent to 4.56 per cent. Total subscriptions against an offer of Rs. 93.5 crores amounted to Rs. 109 crores, of which Rs. 100.7 crores (including conversion of Rs. 4.7 crores) were accepted. Net borrowings of States, after allowing for cash repayments on account of maturing loans at Rs. 10.9 crores, amounted to Rs. 85 crores.

For 1963-64, as stated earlier, an amount of Rs. 100 crores has been earmarked as the States' share of the centralized market borrowing, which will be advanced to them as loans from the Centre. Allowing for repayment of maturing loans (Rs. 39 crores), net market borrowings of States for 1963-64 may be placed at Rs. 61 crores.

*State Governments' Cash Balances and Ways and Means Advances:* At the end of March 1963, the cash balance position of State Governments showed a small credit balance of Rs. 3.3 crores which was, however, in sharp contrast to a debit balance of Rs. 28.3 crores at the end of March 1962. This swing of Rs. 31.6 crores in the cash position of States which was reflected in their balance with the Reserve Bank was mainly brought about by repayment by seven States of their overdrafts with the Bank through the Centre's *ad hoc* loans. The balances with treasuries also showed a small rise of Rs. 26 lakhs over the year. The amount of outstanding ways and means advances at Rs. 17.6 crores at the end of March 1963 was lower by Rs. 4.2 crores as compared to the level of Rs. 21.8 crores outstanding at the end of March 1962.

#### RAILWAY FINANCES

The year 1962-63 witnessed a noteworthy improvement in the performance, physical as well as financial, of the railways. The revised estimates for 1962-63 disclose a net surplus of Rs. 23.2 crores which has been maintained around the level originally budgeted for that year, inspite of certain inescapable additional expenditure including that arising from the emergency. Total expenditure in 1962-63 went up by Rs. 44 crores to Rs. 445 crores as compared to 1961-62 (accounts) mainly due to additional operational and other expenses (including those incidental to the emergency), as well as the effect of the increase in the price of coal granted in June 1962 and the implementation of certain recommendations of the Second Pay Commission. Gross traffic receipts have been placed higher by Rs. 49 crores at Rs. 550 crores mainly as a result of the estimated increase of roughly 15 million tons (originating) in goods traffic during 1962-63 over 1961-62, slight increase under passenger and parcel traffic and the effect of the additional levies in the 1962-63 budget which were estimated to yield Rs. 21.3 crores. The dividend to General Revenues was stepped up from Rs. 63 crores in 1961-62 to Rs. 69 crores in 1962-63. After payment of Rs. 12.5 crores to the General Revenues in lieu of tax on railway passenger fares, the net surplus available for credit to the Development Fund was placed slightly lower at Rs. 23 crores as compared to Rs. 24 crores in 1961-62.

In the Budget for 1963-64, total expenditure is placed higher by Rs. 30.4 crores to Rs. 475.6 crores and ordinary working expenses by Rs. 15.9 crores at Rs. 379.0 crores, as compared with 1962-63 (R.E.). The increase in expenditure takes into

account the additional obligation devolving on the railways to keep themselves ready to carry additional defence load, apart from providing for additional expenses associated with the increased traffic anticipated in 1963-64. This order of increase in expenditure is expected to be met from the growth in traffic during the year at rates and fares that have been in force since July 1962. Nevertheless, it was decided to augment the net revenue of the railways so as (1) to provide for an increase in the rate of return payable to the exchequer on the capital-at-charge of the railways from 4.25 per cent to 4.50 per cent during 1963-64 and in the subsequent period of the Third Plan; this will require additional resources of Rs. 4 crores during 1963-64, and (2) also to build up the internal resources of the railways by making additional contributions of Rs. 10 crores to the Depreciation Reserve Fund in each of the years 1963-64 to 1965-66 over and above the amount recommended by the Railway Convention Committee, 1960, and of Rs. 5 crores to the Development Fund. The increased balances in these two funds not being needed for the immediate requirements of the railways in 1963-64 will help in easing the overall ways and means position of the Government. To provide for these additional resources, the freight and parcel rates have been raised and these are anticipated to yield the required Rs. 19 crores.

The new levies, which became effective from April 1, 1963 are (1) an increase of 5 per cent in the surcharge on goods freight rates (except on railways' own traffic and postal and military traffic), anticipated to yield an additional Rs. 17 crores and (2) a surcharge of 10 nP. per rupee on parcel traffic (other than vegetables, milk and newspapers) expected to yield an additional Rs. 2 crores.

*Railway Plan:* The Railway Development Programme under the Third Plan as formulated in 1961 envisaged a rail transport target of 245 million tons (originating traffic) at a cost of Rs. 1325 crores. The Railways are preparing a programme for an outlay of Rs. 1535 crores so as to create capacity by the end of the current Plan period of 260 million tons per annum and to initiate advance action for the additional capacity for part of the increased coal movements during the early years of the Fourth Plan. The Planning Commission, however, has approved an outlay of Rs. 1470 crores i.e. Rs. 145 crores more than the original target of Rs. 1325 crores. The additional approved outlay of Rs. 145 crores is intended for (1) increasing the short lead movements of coal to washeries by about 5 million tons and increased movement over certain routes under the revised pattern of coal traffic, (2) increasing the general goods traffic under the Third Plan and (3) preparatory work to be initiated now for the increase in coal traffic, particularly in the early part of the Fourth Plan. The Plan expenditure of the Railways has been stepped up progressively from Rs. 234 crores in 1961-62 (Accounts) to Rs. 308 crores in 1962-63 (R.E.) and to Rs. 325 crores in 1963-64 (B.E.), making a total of Rs. 867 crores for the first three years of the Third Plan.

## CHAPTER VII : BALANCE OF PAYMENTS

After being under fairly heavy pressure in the first three quarters of 1962-63, the foreign exchange reserves showed a striking improvement in the last quarter. The loss of reserves to the tune of Rs. 54 crores in the earlier period was almost fully recouped in the last quarter, mainly as a result of the improvement in the trade position, the speedier flow of reimbursement receipts under the Agency for International Development and Eximbank loans from the United States of America and some short-term capital inflow through banking channels. For the year as a whole, the reserves showed only a nominal fall of Rs. 2 crores—the lowest since 1956-57 as compared to the loss of Rs. 6 crores in 1961-62. Since the reserves had benefited from drawings from the International Monetary Fund to the extent of only Rs. 12 crores in 1962-63 as against Rs. 58 crores in 1961-62, the total utilisation of reserves in 1962-63 (Rs. 14 crores) was much smaller than in 1961-62 (Rs. 65 crores).

### OVERALL AND REGIONAL TRENDS

*Overall Position:* While the reserves data are available for the entire financial year, details for the remaining items of the balance of payments are available only for the first three quarters of 1962-63. These include, for the first time, merchandise transactions relating to Goa, Diu and Daman and are presented in Table I. The payments position continued to deteriorate in April-December 1962 and, in the absence of drawings from the International Monetary Fund, would have shown a draft of Rs. 66 crores on the reserves as against one of Rs. 45 crores in the corresponding period of 1961. This deterioration reflected a further worsening of the merchandise account, since receipts from official loans and donations were high and the position relating to banking capital had improved.

*Trends by Region:* Area-wise figures are now available on a slightly different basis from that on which the figures in the last Report were based. Hitherto the area-wise distribution of imports of mineral oils was made on the basis of the currency liability involved, but retrospectively from 1961-62 the principle of 'origin' is being applied to oil imports as to all other imports. This change affects, in particular, the accounts for the sterling area as well as 'rest of non-sterling area' as a large part of the country's mineral oil supplies originates in the 'rest of non-sterling area', but is paid for in sterling. Secondly, international institutions are now treated as a separate area; previously transactions with them were distributed area-wise according to the country of the location of their headquarters.

During April-December 1962, the payments position with the O.E.E.C. (Organisation for European Economic Co-operation) countries and the 'rest of non-sterling area' countries improved while that with the sterling and dollar areas showed a deterioration, as compared to the same period of 1961. The sharpest deterioration occurred in respect of the dollar area, the trade deficit with which rose by as much as Rs. 86 crores to Rs. 181 crores due to an increase in imports, export receipts being only a trifle larger than in the previous year. Larger imports of capital equipment

Table 1. India's Balance of Payments

(Rupees Crores)

	April-June 1962	July-September 1962	October-December 1962	April-December 1962	April-December 1961
	(Preliminary)			(Revised)	
<b>A. Current Account</b>					
Imports, c.i.f.					
(a) Private	... ... ...	155.6	166.9	156.8	479.3
(b) Government	... ... ...	112.4	101.9	121.2	335.5
Total Imports (a+b)	... ... ...	268.0	268.8	278.0	814.8
Exports, f.o.b.	... ... ...	154.6	160.9	183.7	504.2
Trade Balance	... ... ...	-113.4	-107.9	-89.3	-310.6
Non-Monetary Gold Movement (net)	— — —	—	—	—	—
Official Donations	... ... +	10.2	+ 23.4	+ 20.6	+ 54.2
Other Invisibles (net)	... ... -	4.0	+ 2.5	- 7.1	- 8.6
Current Account (net)	... ... -	107.2	- 82.0	- 75.8	- 265.0
B. Errors and Omissions	... ... -	5.1	+ 0.9	- 18.1	- 22.3
C. Capital Account (net)					
Private Capital (net)					
(a) Long-term	... ... -	5.4	- 1.9	+ 1.6	- 5.7
(b) Short-term	... ... -	1.3	+ 2.2	+ 0.7	+ 1.6
Banking Capital (net)	... ... -	6.0	- 1.6	+ 6.1	- 1.5
Official Capital (net)					
(a) Loans	... ... +	62.3	+ 110.0	+ 93.1	+ 267.4
(b) I.M.F. Drawings	... ... -	—	+ 11.9	—	+ 11.9
(c) Amortization	... ... -	11.7	- 10.7	- 9.5	- 31.9
(d) Miscellaneous	... ... +	18.3	- 24.3	- 2.3	- 8.3
D. Movement in Reserves (A+B+C)					
(Increase +, Decrease -)	... -	56.1	+ 4.3	- 2.2	- 53.8
					+ 13.1

and railway stores financed mainly by the A.I.D. and Eximbank credits and increased shipments of P.L. 480 foodgrains accounted for the rise in imports from this area. A favourable movement in invisible transactions, however, partially offset the rise in the trade deficit. Net receipts from invisibles including official donations improved from Rs. 38 crores in April-December 1961 to Rs. 72 crores in the period under review, mainly because of larger donations and higher U.S. Embassy expenditures out of P.L. 480 counterpart funds.

The current account surplus of Rs. 23 crores with the sterling area in the first three quarters of 1961-62 whittled down to Rs. 3 crores during the period under review mainly as a result of reduced exports and lower net receipts from invisibles. Imports were slightly lower than in April-December 1961, while export earnings at Rs. 207 crores were Rs. 16 crores lower than in April-December 1961 mainly because of the reduced offtake of tea, raw and tanned hides and skins, raw and waste cotton, and cotton manufactures. Thus, the trade surplus contracted from Rs. 16 crores to Rs. 2 crores. Invisible receipts from this area also declined by Rs. 6 crores to just about a crore, owing to both a rise in investment income payments and a fall in private donation receipts.

Table 2. Current Account: Regionwise

Surplus (+), Deficit (-)	(Rupees Crores)							
	April-June 1962	July-September 1962	October-December 1962	April-December 1962	April-December 1961			
Sterling Area	...	...	...	- 14.2	+ 3.8	+ 12.9	+ 2.5	+ 22.9
Dollar Area	...	...	...	- 39.7	- 29.9	- 39.4	- 109.0	- 57.2
O.E.E.C. Countries	...	...	...	- 30.0	- 31.7	- 29.3	- 91.0	- 105.1
Rest of Non-Sterling Area	...	...	- 19.9	- 20.9	- 8.7	- 49.5	- 53.3	
International Institutions	...	...	- 3.4	- 3.3	- 11.3	- 18.0	- 20.4	
Total	..	...	- 107.2	- 82.0	- 75.8	- 265.0	- 213.1	

Export receipts from rest of the non-sterling area rose by Rs. 16 crores to Rs. 143 crores but import payments also increased by Rs. 12 crores to Rs. 195 crores, so that the trade deficit declined only marginally from Rs. 57 crores to Rs. 53 crores. Larger purchases of oilcakes, tobacco, iron ore, jute manufactures and hides and skins by the East European countries and a higher offtake of iron ore by Japan enlarged the export earnings from this area. On the other hand, machinery and capital equipment from the U.S.S.R. under the Russian credits were mainly responsible for the rise in import payments. India's trade with the East European countries continued to grow at a faster rate than the total trade, and the relative importance of these countries in India's total trade increased further during 1962. Imports from the East European countries were 8 per cent of total imports in April-December 1961, and this proportion rose to nearly 11 per cent in April-December 1962; in the case of exports, the proportion increased from 8 per cent to 13 per cent in the same period.

The current payments position with the O.E.E.C. countries showed some improvement, the deficit contracting from Rs. 105 crores in April-December 1961 to Rs. 91 crores during the period under review. With exports remaining unchanged at Rs. 49 crores and with larger net payments on invisible account, the whole of the

improvement with this area stemmed from a sharp reduction in import payments. Reduced purchases of iron and steel from West Germany, Belgium and France, of machinery from Germany and Sweden and of road vehicles from Italy and Germany brought about the fall in the import bill. In invisible transactions, larger interest payments on the West German credits and increased payments for technical services resulted in the rise in net payments.

### EXPORTS AND IMPORTS

*Exports:* Total export earnings of Rs. 504 crores in April-December 1962, although they include Rs. 12 crores on account of exports from Goa, Diu and Daman which are covered in the statistics since April 1962, were only Rs. 4 crores higher than in the corresponding period of the previous year when exports from Goa were not part of the trade statistics. Appreciable gains were recorded by jute manufactures, oilcakes, metallic ores, tobacco and vegetable oils, which together brought in Rs. 30 crores more than in April-December 1961. Earnings from jute manufactures went up by Rs. 7 crores to Rs. 115 crores owing to the rise in the volume of exports, since the prices of sacking declined continuously and those of bessian and carpet backing fluctuated to record a comparatively smaller fall. Scarcity of fodder in European countries led to an active demand for Indian oilcakes from the U.K., West Germany, Hungary, Poland and East Germany. Increased demand coupled with higher prices pushed up the earnings of oilcakes sharply from Rs. 13 crores in April-December 1961 to Rs. 23 crores during the three quarters under review. Similarly, the failure of domestic crops in some European countries brought about a rise of Rs. 3 crores in the earnings from tobacco. Exports of metallic ores and scrap showed a rise of Rs. 7 crores. But for the inclusion of shipments of iron and manganese ores from Goa valued at Rs. 12 crores, they would have shown a decline, mainly because exports of metal scrap dropped sharply by Rs. 5 crores from Rs. 7 crores in April-December 1961 due to lower offtake by Japan—the only buyer—and export restrictions on certain varieties following the increased domestic consumption of steel scrap. Exports of vegetable oils improved by Rs. 4 crores chiefly as a result of the increase in the export of groundnut oil following the reduction in the excise duty and consequent lowering of the price.

As against the increases reviewed above, earnings from raw and waste cotton, raw wool, coffee, cotton manufactures, tea, cashew kernels, spices, raw and tanned hides and skins and others were lower in the period under review. Exports of raw cotton and raw wool were lower by Rs. 3 crores each. In the case of raw cotton, the delay in the announcement of the export quota and a reduction in the quota following the failure of the crop, were mainly responsible for the decline in exports. The fall in raw wool reflected lower exports to all the three major destinations viz., the U.K., the U.S.A. and the U.S.S.R., and was brought about by increased domestic consumption. Earnings from coffee declined from Rs. 9 crores to Rs. 6 crores despite higher prices, the shortfall in the output leading to lower sales to the European Common Market countries, the U.S. and the U.K. Cotton textiles continued to show a declining trend owing to higher prices of Indian textiles and increased competition from traditional suppliers. Earnings fell from Rs. 47 crores in April-December

1961 to Rs. 45 crores in the first three quarters of 1962-63, with the U.K., Aden, Malaya and Kenya reducing their purchases. The only encouraging feature in the cotton textiles exports in April-December 1962 was the expansion of sales to the U.S.A. Tea earnings recorded a small fall of a crore of rupees to Rs. 93 crores.

*Imports:* Total import payments of Rs. 815 crores in the last three quarters of 1962 were Rs. 82 crores higher than in the corresponding period of 1961 when the import bill was smaller than in 1960. The change in the trend, despite the worsening of the general balance of payments position, reflected the higher receipts in 1962 from external assistance to finance the development programme. The whole of the increase in the period under review was due to larger outlay on Government account, as imports on private account declined marginally.

*Private* import payments recorded a fall of Rs. 5 crores to Rs. 479 crores as a result of a tighter licensing policy which in the context of the development effort impinged mostly on consumer items like rayon textiles, paper and pasteboard, cutlery and hardware. Larger maintenance imports were, on the other hand, required as additional capacity continued to spring into existence and installed capacity was more fully utilised. Imports of non-ferrous metals rose from Rs. 24 crores in April-December 1961 to Rs. 30 crores in the corresponding period of 1962 (with the finance available from the A.I.D. loans). Imports of chemicals were up from Rs. 26 crores to Rs. 30 crores. Synthetic yarns and professional and scientific instruments together accounted for an increase of Rs. 7 crores. The improvement in domestic production made it possible to reduce imports of iron and steel from Rs. 50 crores to Rs. 41 crores and of vehicles from Rs. 31 crores to Rs. 26 crores. The payments situation has necessitated the utmost economy even in respect of imports of capital goods, which therefore have to be largely restricted to the external aid available to finance them. Thus total imports of 'capital goods' at Rs. 200 crores were lower by Rs. 11 crores.

*Government* import payments at Rs. 336 crores were Rs. 87 crores higher than in the corresponding period of the previous year. Both development and non-development imports shared the increase and in more or less equal measure. Capital equipment for Government projects showed a marked rise of Rs. 32 crores following a sharp step-up in the purchases from the U.S.A. under the A.I.D. assistance and a rise in the import of machinery from the U.S.S.R. under the various Russian credits. Payments for railway stores also rose from Rs. 10 crores to Rs. 23 crores largely under the A.I.D. loans for the railways. More than 90 per cent of the increase in non-development imports was associated with larger imports of food, particularly wheat and rice from the U.S.A. under the P.L. 480 agreement, which went up from Rs. 80 crores in April-December 1961 to over Rs. 120 crores during the three quarters under review. In the context of rising food prices, these imports were stepped up so as to build adequate stocks and thereby stabilise the price line.

#### INVISIBLE AND CAPITAL TRANSACTIONS

*Official Donations:* There was an impressive increase in receipts from official donations from Rs. 29 crores in April-December 1961 to Rs. 54 crores during the

period under review. Grants in foreign currencies under the Colombo Plan showed a fall of Rs. 6 crores owing to lower Canadian assistance, but those out of P.L. 480 (Title 1) counterpart funds came to as much as Rs. 37 crores whereas in April-December 1961 they were barely Rs. 5 crores. P.L. 480 grants in the period under review covered schemes for eradication of malaria, development of highways and primary education.

*Invisibles other than Official Donations:* Invisible transactions showed a nominal improvement, net payments having fallen by about a crore from Rs. 9 crores in April-December 1961 to Rs. 8 crores during the period under review. It would be recalled that there were net payments on account of invisible transactions for the first time in 1961-62. Gross total invisible receipts remained unaltered at Rs. 143 crores, declines under private donations, investment income and miscellaneous transactions being made up by a marked rise of Rs. 15 crores in G.N.I.E. receipts as a result of increased U.S. Embassy expenditures out of P.L. 480 funds and larger P.L. 480 freight refunds. Under payments, a rise of Rs. 8 crores under investment income, reflecting the growing external debt, was more than counterbalanced by a fall under private donations, insurance, transportation and miscellaneous heads.

*Capital Transactions:* During the nine months April-December 1962, total capital transactions resulted in a net inflow of capital of Rs. 234 crores, out of which Rs. 12 crores represented the drawing on the stand-by credit with the I.M.F. In the corresponding period of 1961 the net inflow had amounted to Rs. 236 crores, including the net drawing of Rs. 58 crores from the I.M.F. Sector-wise, the net outgo of capital on private account halved from Rs. 8 crores in April-December 1961 to Rs. 4 crores during the period under review. This improvement reflected the favourable turn in the movement of short-term capital, an outflow of Rs. 5 crores in April-December 1961 having turned into an inflow Rs. 2 crores during the period under review, mainly in the form of increased indebtedness by firms other than branches which are permitted to make lump sum remittances periodically. Private long-term capital on the other hand indicated a higher outflow of Rs. 6 crores as compared to an outflow of Rs. 3 crores in April-December 1961; but the April-December 1962 figures, being preliminary and incomplete with respect to coverage, are not strictly comparable with the figures for 1961.

The contraction in the outflow under banking capital was much larger—from Rs. 18 crores in April-December 1961 to Rs. 2 crores in the corresponding period of 1962. Tightening of lending facilities to banks by the Reserve Bank, coupled with the official request to banks to bring in more funds from abroad during 1962-63 busy season and the lower bank rate in the U.K. brought about the lower outflow of banking funds during April-December 1962.

In the official sector, despite the larger volume of external assistance and lower amortisation payments, net receipts were lower by Rs. 22 crores as compared to April-December 1961, mainly because of the lower level of drawings from the I.M.F., the decline in short-term liabilities connected with the P.L. 480 transactions and the extension of larger accommodation to East European countries under the payments agreements with them.

The current and capital accounts together (excluding transactions with the I.M.F.) gave rise in April-December 1962 to a balance of payments deficit of Rs. 65 crores which was financed to the extent of Rs. 12 crores by a drawing on the I.M.F. stand-by credit and for the balance by a fall in the country's foreign exchange reserves.

In the last quarter of the financial year 1962-63 the overall payments position improved significantly, aided by the seasonal revival of exports, rapid utilisation of external assistance and the very favourable movement of banking capital during the busy season of the year. The reserves went up during the quarter by Rs. 52 crores to Rs. 295 crores but other data are not yet available.

#### FOREIGN INVESTMENT POLICY

In pursuance of its policy of encouraging the inflow of foreign capital, the Government of India ratified, in January 1962, the double taxation avoidance agreement concluded in June 1961 with Finland. Similar agreements are already in force with Pakistan, Ceylon, Sweden, Norway, Denmark, Japan and West Germany. The agreements with France and the U.S.A. await ratification.

The activities of the Indian Investment Centre, which was set up to promote the flow of foreign capital into the country and which commenced operations in 1961, are beginning to bear fruit. Its services are being increasingly utilised by foreign as well as Indian entrepreneurs seeking foreign collaboration. With the assistance provided by the Centre, many industrial projects involving foreign collaboration have matured into joint ventures. The foreign participants in these enterprises are from diverse countries including the U.S.A., Canada, the U.K., West Germany, Switzerland, Belgium and Japan. In addition, a number of projects are in various stages of finalisation.

By and large, foreign investor interest seemed to have been maintained during 1962. Consents given by the Controller of Capital Issues for issue of capital to non-residents, which broadly reflect investment intentions, were higher at Rs. 47 crores (excluding loans from the I.B.R.D.) during 1962 as against Rs. 33.8 crores in 1961 and Rs. 19.2 crores in 1960.

#### EXTERNAL ASSISTANCE

External assistance received by India during 1962-63 reflected by and large the growing awareness on the part of the donor countries of both the magnitude of the needs, and the crucial role of the balance of payments implications, of economic development; an appreciable increase in the quantum of assistance was coupled with the softening of the terms and conditions on which it was granted. External assistance authorised during 1962-63 for plan projects and programmes was substantially higher at Rs. 652 crores as against Rs. 425 crores in 1961-62, bringing the total assistance authorised in the first two years of the Third Plan to Rs. 1,076 crores. The authorisations made during 1962-63 comprised Rs. 591 crores in the form of loans, Rs. 17 crores in the form of grants and the balance by way of assistance under the P.L. 480 programme. Loans and grants authorised during 1961-62 amounted to

Rs. 404 crores and Rs. 21 crores, respectively; there were no authorisations under the P.L. 480 programme.

(Rupees Crores)

	AMOUNT AUTHORISED			ESTIMATED UTILISATION			Amount undisbursed as at the end of March 31, 1963 (1+4-7)
	During 1961-62	During 1962-63	Total (2+3)	During 1961-62	During 1962-63	Total (5+6)	
	(1)	(2)	(3)	(4)	(5)	(6)	(8)
<b>I. Loans</b>							
(a) Repayable in foreign currencies ..	546.7	357.9	591.4	949.3	191.5	251.6	443.1 1,052.9
(b) Repayable in rupees ..	128.7	46.2	-	46.2	38.6	58.9	97.5 77.4
Total ..	675.4	404.1	591.4	995.5	230.1	310.5	540.6 1,130.3
<b>II. Grants @ ..</b>							
III. P.L. 480 and P.L. 665 Aid and Third Country Currency Assistance (Gross) ..	597.8	-	43.3	43.3	87.8	122.9	210.7 430.4
<b>IV. Total (I+II+III) ..</b>	<b>1,302.6</b>	<b>424.7</b>	<b>651.6</b>	<b>1,076.3</b>	<b>337.9</b>	<b>447.0</b>	<b>784.9</b> 1,594.0

@ Exclude grants under P.L. 480 Titles II and III as they do not strictly form part of assistance for plan projects and programmes.

Except for the credit of Rs. 16 crores extended by Poland, the entire loan assistance authorised during 1962-63 was given by members of the Aid India Consortium. For the first two years of the Third Plan, members of the Aid India Consortium had promised to make available assistance of Rs. 1,125 crores; as against this, the authorisations made by them during the two years amounted to Rs. 994 crores. With the exception of the Netherlands, the new members, viz., Austria, Belgium and Italy, authorised the entire assistance promised by them. Among the remaining members, the United Kingdom, Canada and France also fully authorised what they had promised. As at the end of March 1963, the balance available for authorisation out of the assistance already promised amounted to Rs. 131 crores, of which nearly Rs. 107 crores are to be authorised by the U.S.A. and West Germany.

Taking into account the carryover of assistance of Rs. 1,389 crores at the end of March 1962, the total assistance available for utilisation amounted to Rs. 2,041 crores consisting of Rs. 1,441 crores (71 per cent) as loans, Rs. 47 crores (2 per cent)

as grants and Rs. 553 crores (27 per cent) as assistance under the P.L. 480 programme. Out of this, it is estimated that Rs. 447 crores were utilised during 1962-63, leaving a balance of Rs. 1,594 crores for use in the remaining period of the Third Plan.

External assistance authorised by various friendly countries (excluding the aid authorised by international institutions), aggregated Rs. 3,488 crores as at the end of March 1963. Country-wise, the U.S.A. accounted for 63 per cent of the total, followed by the U.S.S.R. (11 per cent), West Germany (8 per cent) and the U.K. (7 per cent); the shares of Canada and Japan were 4 per cent and 2 per cent, respectively. All other countries together accounted for the remaining 5 per cent. Aid authorised for India's developmental programmes by the I.B.R.D. and its affiliate, the I.D.A. amounted to Rs. 389 crores and Rs. 133 crores, respectively.

The most noteworthy feature of the assistance made available during 1962-63 was that about two-thirds of the loan assistance authorised was extended on more favourable terms than hitherto. Except for a small service charge of 3/4 of one per cent per annum, all the loans extended by the U.S. A.I.D. and the I.D.A. aggregating Rs. 319 crores and Rs. 82 crores, respectively, carry no interest and are repayable over a period of 40-50 years (including the grace period). Another important feature of the U.S. A.I.D. loans authorised during 1962-63 was that about two-thirds were for non-project imports. Loans authorised by a few of the other countries were also on relatively more favourable terms and conditions than before. For instance, the bulk of the loan assistance authorised in 1962-63 by West Germany bears interest at 3 per cent per annum only (as against around 6 per cent on earlier loans) and the repayments are now spread over 20 years.

(Rupees Crores)

	Assistance promised at Consortium Meetings for the first two years of the Third Plan	Assistance authorised during the first two years of the Third Plan	Balance available for authorisation
1. I.B.R.D./I.D.A.	...	214.3	11.7
2. U.S.A.	...	466.7	59.4
3. West Germany	...	173.3	47.7
4. United Kingdom	...	126.7	—
5. Japan	...	50.0	7.1
6. Canada	...	27.8	—
7. France	...	28.6	—
8. Austria	...	2.4	—
9. Belgium	...	4.8	—
10. Netherlands	...	5.2	5.2
11. Italy	...	25.2	—
Total	...	1,125.0	131.1

The table overleaf shows the purpose-wise break-up of external loans and credits authorised and utilised upto the end of March 1963. Of the total loans authorised

(Rs. 2,473 crores), a major part, *viz.*, Rs. 1,398 crores (or 57 per cent) was for industrial development, followed by transportation, Rs. 398 crores (or 16 per cent) and, steel and steel projects, Rs. 329 crores (or 13 per cent).

Additional assistance of Rs. 66 crores has been authorised during April 1963. West Germany authorised Rs. 48 crores for the expansion of the Rourkela steel plant and Rs. 7 crores for meeting the repayment liabilities arising out of the Rourkela credit of 1958. The U. S. commercial banks extended a fourth credit of Rs. 5 crores to Air India for the purchase of planes. A credit of Rs. 5 crores was extended by the U. K. for the import of steel plates.

The I.B.R.D., besides itself granting loans to India, continued to take interest in India's development plans. The seventh meeting of the Aid India Consortium was convened by the Bank in April 1963 at which India participated officially for the first time. The Consortium members reviewed the progress made in the first two years of the Third Plan and the quantum of financial assistance required in 1963-64. After discussions the meeting was adjourned till early June 1963, when the members are expected to make firm promises regarding their assistance.

				(Rupees Crores)
	Authorisation upto March 1963	Utilisation upto March 1963	Amount undisbursed end March 1963	
1. Industrial Development	..	1,398·2	589·4	808·8
2. Transportation :				
(a) Railway Development	..	287·3	231·6	55·7
(b) Ports Development	..	19·1	13·8	25·3
(c) Airways Road Transport and Communications	..	71·3	27·5	43·8
Total	..	397·7	272·9	124·8
3. Steel and Steel Projects	..	328·9	283·8	45·1
4. Power Projects	..	199·2	75·4	123·8
5. Wheat Loans	..	106·0	106·0	—
6. Agricultural Development	..	30·3	7·7	22·6
7. Iron Ore Project	..	12·8	7·6	5·2
Total	...	2,473·1	1,342·8	1,130·3

During 1962-63, three new agreements for a total value of Rs. 43 crores were concluded with the U. S. A. under the P. L. 480 programme. More than three-fourths of the assistance authorised provided for the supply of cotton and the balance for importing yellow corn, dairy products, etc. With these additional authorisations, the total assistance authorised under the P. L. 480 programme till the end of March

1963 amounted to Rs. 1,156 crores. The sale proceeds of the imports have been allocated for disposal, as mutually agreed, in the following manner :

	(Rupees Crores)
1. Loans to the Government of India	554.7
2. Grants to the Government of India	375.3
3. Loans to private enterprises under the Cooty Amendment	78.7
4. For the use of the U.S. Government	147.6
Total	1,156.3

A supplementary agreement for the supply of tobacco valued at Rs. 1 crore was signed in April 1963.

#### DEVELOPMENTS IN EXCHANGE CONTROL

During 1962-63 several exchange control measures were taken for conserving foreign exchange. In order to reduce the foreign exchange payments on account of travel abroad by Indian residents, a directive was issued with effect from June 8, 1962, under which no passages for foreign travel were to be booked for persons resident in India, unless the traveller was in possession of an exchange permit from the Reserve Bank or had been permitted specifically to book his passage. Certain exceptions were, however, made in respect of foreign nationals temporarily residing in India, transit passengers, deck passengers to certain neighbouring countries and travellers between India and Pakistan holding Indo-Pakistani passports. Almost simultaneously, the facilities for booking passages under the 'guest scheme' were also suspended. Approvals for booking passages against invitations are now granted only in cases where the invitations are from foreign Governments or non-commercial organisations of repute or from close relatives resident abroad.

With effect from August 1, 1962 it was decided to bring sterling area and non-sterling area nationals under the same regulations in the matter of private remittances abroad for purposes such as support of dependants, payment of insurance premia, etc. Previously sterling area nationals, other than residents of Pakistan, who were temporarily resident but not domiciled in India, were permitted to make private remittances through banks upto a maximum of £ 150 per month for such purposes as support of dependants, etc. without reference to the Reserve Bank. Similarly, non-sterling area nationals were allowed to remit reasonable amounts from their income after approval by the Reserve Bank. Under the new arrangement, authorised dealers are now permitted to allow private remittances of sterling area and non-sterling area nationals upto Rs. 1,500 or 50 per cent of the remitter's net income per month, whichever is less. Applications for larger remittances have to be referred to the Reserve Bank for approval.

In the matter of repatriation of assets too, the distinction between sterling area and non-sterling area nationals was abolished with effect from August 1, 1962. Sterling area nationals retiring from India were so far allowed to transfer at the

time of their retirement their entire assets while non-sterling area nationals were allowed to remit their current remittable assets in full and sale proceeds of investments in shares and securities upto a limit of Rs. 1,25,000. But since August 1, 1962 all foreign nationals are allowed at the time of retirement from India to take with them their current remittable assets in full and to repatriate in addition the sale proceeds of their investments upto a limit of Rs. 75,000; the balance, if any, may be repatriated in annual instalments not exceeding Rs. 20,000 per annum.

With effect from June 10, 1962, the exchange facilities granted to Indian nationals (including persons domiciled in India) for emigration purposes were withdrawn, barring certain exceptional cases where arrangements for emigration had already been made or where other members of the family had already emigrated. In August 1962, it was also decided not to release any foreign exchange, or grant permission, for engagement of foreign cabaret artistes, musicians, etc.

With effect from November 1962, remittances by Chinese nationals to any country outside India and all remittances to China by any persons resident in India were stopped. Payments due to China are required to be made by credit to the blocked rupee accounts of the beneficiaries in China.

On July 4, 1962, the East African Shilling was added to the list of foreign currencies to be surrendered to the Control.

On July 17, 1962, transactions with Tibet which were previously free from exchange restrictions were brought under the purview of such restrictions. With effect from this date, the facility for free export of Indian currency notes to Tibet was withdrawn and taking or sending of currencies to Tibet was made subject to the same restrictions as are applicable to other countries. Under the new arrangement, exports to Tibet will also be subject to the usual exchange control restrictions, and accounts of all persons resident in Tibet with banks in India will be treated as non-resident accounts.

In December 1962, additional restrictions were placed on the holding of assets abroad by Indian nationals. Holders of foreign shares and securities were previously permitted to invest dividends/interest as also reinvest the sale/maturity proceeds of their holdings in other foreign shares and securities. These facilities were withdrawn from December 1962 and all sale/maturity proceeds of foreign shares/securities as well as dividends/interest have now to be repatriated through the normal banking channels. Similarly, under the new rules, except in the case of pre-zero accounts, i.e. accounts maintained prior to September 3, 1939 in the case of non-sterling area currencies and July 8, 1947 in the case of sterling area currencies, holders of foreign currency accounts are allowed to retain balances upto £ 500 only.

Consequent on the issue of the Defence of India (Amendment) Rules relating to the Gold Control, the facilities which were being granted to established firms of jewellers for importing gold for the purpose of re-exporting the metal as finished jewellery were suspended for a short period in January 1963. These were, however, restored in the same month subject to certain conditions.

With a view to encouraging contributions by non-residents to the National Defence Fund permission was granted in January 1963 to authorised dealers to make payments to the fund by debit to blocked accounts, irrespective of the amounts involved, without prior approval of the Reserve Bank.

In February 1963, the general permission which was hitherto granted for bringing into and taking out from India, Indian currency notes and coins upto Rs. 75 per person was withdrawn. However, authorised money changers at air/sea ports are permitted to sell foreign currency notes upto Rs. 40 per person to travellers whose passages have been approved by the Reserve Bank or who have been released the necessary foreign exchange. Deck passengers to certain neighbouring countries and passengers to Ceylon and Pakistan are allowed to take with them Indian or foreign currency notes or partly Indian and partly foreign currency notes upto a sum not exceeding Rs. 20 in value at a time. Foreign transit passengers will, however, continue to be able to convert their rupee notes into foreign currency notes on production of evidence that their rupee notes were acquired by the sale of foreign currency notes and travellers' cheques to authorised dealers or authorised money changers. With a view to facilitating the provision of such evidence it was decided in April 1963, to replace the currency declaration form by a small booklet for completion by persons arriving in India. For the present the booklet will be issued only to tourists arriving by air or as cabin passengers by sea. Tourists are required to declare in this booklet their holdings of all foreign currency notes and travellers' cheques. In February a reduction was also effected in the exchange released to Haj pilgrims from Rs. 1,200 to Rs. 1,000 per person.

With effect from March 11, 1963, the Foreign Exchange Regulation Act, 1947, together with all rules and notifications issued thereunder, was extended to the Union territories of Goa, Daman and Diu. Although the Imports and Exports (Control) Act, 1947, has not so far been extended to these territories, all imports into and exports from the territories to countries outside India require import/export licences and they continue to be issued for the present by the Junta de Comercio Externo (Board of External Trade), Panjim. The normal exchange control procedure for exports applicable to other Union territories has been extended to Goa, Daman and Diu and exporters from these territories are required to follow the usual procedure in respect of their exports. All residents of Goa, Daman and Diu (other than foreign nationals who are temporarily resident) who hold foreign currency balances abroad (other than those held in Burma, Pakistan and Ceylon) are required to declare them as on March 11, 1963, to the Reserve Bank of India, Exchange Control Department, Bombay, before May 14, 1963. Persons who furnish the declaration before the prescribed date are required to surrender only half the balance while the remaining half will be allowed to be utilised for approved purposes such as (a) for import of capital goods, ships and industrial raw materials, (b) for personal travel abroad, including travel for medical treatment, education of children, etc. and (c) for other approved purposes.

With effect from April 1963, the taking out of personal jewellery by travellers to Pakistan was made subject to the same procedure as is applicable to travellers

to other countries. Previously permits on the usual "J" form for export of jewellery were not required in the case of travellers to Pakistan.

#### DEVELOPMENTS IN TRADE POLICY

Trade policy during 1962-63 continued to be directed towards stimulating and expanding exports. Various export promotion measures devised in earlier years were either modified or their scope expanded so as to bring within their purview a larger number of export commodities (*vide Appendix III*).

Mention was made in last year's Report of the constitution of a Board of Trade to advise Government from time to time on measures to be taken to expand India's exports. During the year under review, the Board of Trade undertook a detailed commodity-wise and country-wise review of India's exports. In addition, it also held discussions on a number of important subjects, such as fair trading practices, credit facilities for exporters, quality control on exports, establishment of an Institute of International Trade, setting up of free trade zones, reviewing of the working of commercial sections of Indian embassies abroad, shipping and freight problems, establishment of export sector, cost reduction studies and working of major and minor ports in the Southern region. As a sequel to the discussions, a number of committees were set up to deal with specific problems which had a bearing on export promotion, among them being the Experts' Committee on Cost Reduction Studies (to formulate programmes for individual export commodities) and the Export Sector Committee (to develop production in selected fields for export).

The following specific measures were taken to boost exports : (i) It was decided to acquire statutory powers (since materialised) to enforce quality control and pre-shipment inspection of exports, where necessary. Quality control on some commodities viz. raw wool, bristles, textiles, tea, coffee, etc. is already being exercised, and an Export Inspection Advisory Council consisting of senior officers of the various ministries has been set up for advising Government and drawing up an operational programme for quality control. (ii) In order to expedite the issue of incentive licences against exports, the Export Promotion Councils were authorised to recommend imports of raw materials, components, spares, etc. to the licensing authorities directly. (iii) Export Promotion Advisory Committees were set up in respect of (a) handloom textiles, (b) diamonds, precious stones, pearls and jewellery, (c) handicrafts and (d) woollen manufactures. (iv) A large number of items were freed from export restrictions under a new Export Control Order, effective from October 10, 1962. Accordingly, the ban on exports was restricted to only 78 items compared with 185 items on the old list. Two lists were drawn up under the new Export Control Order, one showing the banned items and the other listing the commodities for which there would be free licensing within the quota which would be announced on an annual basis. Some of the major items on which controls were removed were manganese ore and concentrates, de-oiled groundnut meal, ferro-alloys, cement, bitumen and starch, etc.

Fiscal incentives, either by way of a rebate of the central excise duty and/or by a draw-back of the customs and excise duties paid on the materials used in the

manufacture of exportable goods, were extended to a number of additional commodities during the year. The Government of India budget for the year 1963-64 made a provision for Rs. 3 crores for developing new markets abroad for exports and contained several concessions to the export industries, such as the continuation of the rebate of income tax and super-tax on profits earned from exports which was introduced last year and a further rebate of income tax and super tax upto 2 per cent for the first time, of the value of such exports (details are given in Appendix I). The export duty on tea (which had been reduced to 25 n.P. per Kilogram during 1961-62) was abolished, though this concession was offset to a considerable extent by the simultaneous decisions (a) to impose a surcharge of 20 per cent on the excise duty on tea and (b) to withdraw the rebate of 15 n.P. per Kg. on tea exports, which was allowed for the first time under the 1962-63 Budget.

Credit facilities for exporters, both short-term and medium-term from the Reserve Bank, the State Bank and the Refinance Corporation for Industry have been enlarged. (Details are given in Chapter IV).

Measures were also taken by the Government towards the stabilisation of prices of three export commodities viz. seedlac (B II quality), "Bleeding Madras" and flue-cured Virginia tobacco, by the fixation of minimum price for seedlac and minimum and maximum prices for the other two commodities. The operational minimum price for raw jute was continued for the 1962-63 season also (details are available in Chapter III).

The Export Risks Insurance Corporation recorded further progress in its activities during 1962-63. The Corporation issued 623 policies during the year under review, as against 440 in the previous year. The value of risks covered rose by 71.7 per cent from Rs. 13.5 crores in 1961-62 to Rs. 23.1 crores in 1962-63. The average rate of premium per Rs. 100 of insured value, which indicates the cost of insurance to the exporter, was lower during the year at 27 n.P. as compared with the average rate of 29 n.P. in 1961-62.

During the year under review, the State Trading Corporation continued its efforts towards expanding India's trade, particularly with the East European countries and exploring new markets for both the traditional and non-traditional export items. The total turnover of the Corporation during 1962 amounted to Rs. 74 crores.

The import policy during 1962-63 continued to be directed primarily towards realising the general objectives of the Plan, and, within the limits set by available foreign exchange resources, towards providing maximum possible assistance to export industries. A major step taken during the year in the field of import control policy was the decision to step up the quantum of licences issued on an annual basis pursuant to one of the recommendations of the Mudaliar Committee. But for this, the policy in the first half of the year remained essentially restrictive and advantage was taken of increases in internal availabilities to effect cuts in quotas. In respect of about 55 items (including, among others, textiles preservatives, drugs and medicines) established importers' quotas were cut and imports of 10 items (including yeast,

cartridges and resin powder) were totally banned. With the worsening of the foreign exchange situation in June 1962 further cuts were announced and even licences issued earlier were recalled to be reduced. Owing to further deterioration in the country's external payments position between July and September and the Chinese aggression in October the policy for October 1962-March 1963 was not announced till late December 1962. In view of the need to make provision for defence requirements rigorous economies had to be instituted in other imports. The import control policy for the second half of 1962-63 effected substantial cuts in the quotas of both established importers as well as of actual users. Raw materials needed for production of luxury and semi-luxury items were either banned or their quotas reduced. Several new items were brought within the purview of the S. T. C. for importation in order to reduce the middlemen's profits. Fuller details of the policy announcements are given in Appendix IV.

Other measures adopted during the year for the purpose of reinforcing the operation of direct controls on imports were (i) the passing of the new Customs Act in December 1962 providing for severe penalties for smuggling of goods into India, (ii) the announcement of the Gold Control Rules in January 1963 and constitution of the Gold Control Board with the objective, *inter alia*, of controlling gold smuggling and (iii) the announcement in February 1963 of new baggage regulations stipulating that items imported as baggage should not be sold until they have been used for a prescribed minimum number of years or until their market value had depreciated to 50 per cent of the original value. The need to apply fiscal restraints on imports was also stressed by the Finance Minister in his speech introducing the 1963-64 Budget which increased the customs duties on a wide range of articles imported into India.

#### TARIFF COMMISSION

In 1962-63, the Commission completed\* six tariff inquiries and three price inquiries (for details see Appendix V). The tariff enquiries covered the following industries: antimony, stearic and oleic acids, plastics (phenol formaldehyde moulding powder), sheet-glass, ball bearings and non-ferrous metals (semi-manufactures) protection to which was due to expire on December 31, 1962. The Commission recommended continuance of protection for the antimony industry till the end of 1963 and for ball bearings and sheet-glass till the end of 1965. In respect of semi-manufactures of non-ferrous metals, the Commission recommended continuance of protection upto the end of 1965 for copper and brass tubes and pipes and extruded non-electrolytic copper rods and extruded brass rods but favoured withdrawal of the protection granted to electrolytic copper rods, rolled brass rods, lead sheets other than for tea chests, zinc sheets, not otherwise specified and zinc strips. The Commission, however, recommended that two fresh items belonging to this group, namely, extruded brass sections and highly polished zinc sheets for making process blocks be brought within the scheme of protection. In regard to plastics (phenol formaldehyde moulding powder) and stearic and oleic acids the Commission recommended withdrawal of

\* An inquiry is treated as completed only after the Government's decision on the report has been published.

protection. The Government accepted all the recommendations of the Commission in respect of tariff inquiries.

The three price inquiries related to (1) examination of the formula for linking the price of sugarcane with the price of sugar, (2) fixation of retention prices for steel for the period 1960-62, and (3) fixation of selling prices for sheet-glass. In regard to sugarcane the Commission recommended the replacement of the present scheme of linking the price of cane with the sale proceeds of sugar by one based on payment according to the quality of the cane, and pending implementation of such a scheme the Commission favoured a collective incentive in the form of a premium element based on the improvement achieved in the previous year. New factories were, however, to be exempted from this scheme for a period of three years. These recommendations were accepted by the Government. But other recommendations of the Commission in respect of (a) sharing of additional sugar price realisations during the seasons 1958-59 to 1961-62, (b) sharing of production incentives granted by Government to the sugar industry, and (c) grant of rehabilitation allowances for factories in certain regions, were not accepted by the Government. In regard to steel the Commission recommended prices of Rs. 550 per tonne of saleable steel, Rs. 344 per tonne for steel ingots and an increase of about Rs. 3 per tonne in the case of pig iron for the period 1960-62. The Government, however, fixed a price of Rs. 522.5 per tonne of saleable steel and Rs. 326 per tonne for steel ingots and an increase of about Rs. 2 per tonne in respect of pig iron. In respect of sheet-glass the Commission had recommended that ex-works selling prices (exclusive of taxes), should be notified as ceiling prices for various cut or manufacturing sizes to remain in force till the end of 1965. The Government, however, preferred to fix certain average selling prices for glass of various thickness groups to be in force till March 1964. Within these average prices the manufacturers were required to work out the prices for different sizes, with the approval of the Government. The Government accepted the Commission's recommendation that the retail prices of these varieties should not exceed by more than 20 per cent the corresponding fair ex-works selling prices.

#### TRADE AGREEMENTS

During the year, fresh trade agreements were concluded with three countries, namely, Burma, Iran and Morocco. Among the existing agreements, twelve of them (with Afghanistan, Jordan, North Korea, Greece, France, North Vietnam, Poland, Germany East, Hungary, Italy, Romania and Yugoslavia) were either renewed or extended for further periods while three of them (with the United Arab Republic, Bulgaria and Ceylon) were modified. At the end of 1962-63, the total number of trade and payments agreements in force was 28\*. Of the agreements negotiated during the year, those with Romania and Yugoslavia were for a longer term, both of them were to be valid from January 1, 1963 upto December 31, 1967 and provided for

\* These are with (1) Afghanistan, (2) Bulgaria, (3) Burma, (4) Ceylon, (5) Chile, (6) Czechoslovakia, (7) France, (8) Germany East (German Democratic Republic), (9) Germany West (Federal Republic of Germany), (10) Greece, (11) Hungary, (12) Iran, (13) Italy, (14) Japan, (15) Jordan, (16) North Korea, (17) Morocco, (18) Nepal, (19) Pakistan, (20) Poland, (21) Romania, (22) Sweden, (23) Switzerland, (24) Tunisia, (25) U.A.R., (26) U.S.S.R., (27) Vietnam, North and (28) Yugoslavia.

the continuation of all payments of commercial and non-commercial nature in non-convertible Indian Rupees. The schedules of exports and imports for each calendar year would be revised, modified or extended to include certain new articles after mutual consultations. The agreement with Ceylon signed on December 23, 1962 was a modification of an earlier one signed on October 28, 1961 and envisaged larger exports of building and construction material, telephone and railway equipment to Ceylon. These exports would be supplied on deferred payments basis for a period of seven years for a total value of Rs. 5 crores. The trade agreement with Pakistan which was due to expire on March 20, 1963, was extended by three months upto June 20, 1963.

Reference may also be made to India's participation in the Tariff Conference convened by the G.A.T.T. in September 1960, which was brought to a close on July 16, 1962 with the signing of the Final Act. This Final Act established Instruments embodying the results of the negotiations held between various countries for import duty concessions on their mutual trade. India held negotiations in the Conference with the U.S.A., the European Economic Community, Australia, Sweden, Norway, Finland, Denmark, Turkey and Haiti. The agreement with the U.S.A. provided for reductions in the U.S. tariff on 28 items of Indian exports including certain jute goods, cashew nuts, coir matting, etc. India on its part agreed not to enhance the current level of duties on 17 out of 25 items. The agreement with the E.E.C. contained an assurance of the continuance at fixed levels of the Community's common tariff in respect of major Indian exports.

## CHAPTER VIII : CURRENCY AND COINAGE

During 1962-63, currency in circulation recorded a larger expansion of Rs. 182.4 crores as compared to Rs. 102.0 crores\* in 1961-62 and Rs. 153.2 crores in 1960-61. Component-wise, notes in circulation showed a much steeper rise as compared to the preceding year, while on a similar comparison the rise in the circulation of rupee coin and small coin was smaller.

### CIRCULATION OF NOTES AND COINS

*Circulation of Notes :* Notes in circulation registered a sharp rise of Rs. 171.7 crores (8.5 per cent) during the year to Rs. 2199 crores\*\* as compared to only Rs. 85.6 crores (4.4 per cent) in 1961-62. Denomination-wise, while the three high denomination notes, viz., Rs. 1,000, Rs. 5,000 and Rs. 10,000 declined in circulation, all the remaining denominations, viz., Rs. 2, Rs. 5, Rs. 10 and Rs. 100 showed increases. The rise in circulation was most marked in Rs. 10 denomination which went up by Rs. 96 crores, its share in total notes in circulation rising from 39.9 per cent in 1961-62 to 41.5 per cent in 1962-63. Rs. 100 denomination registered a relatively smaller increase (Rs. 67 crores), but even so, it continued to be the most popular among the various denominations, its share in total notes in circulation remaining unchanged at the preceding year's level of 44.3 per cent. The Rs. 5 denomination and the Rs. 2 denomination showed increases of Rs. 11 crores and Rs. 27 lakhs respectively, but their proportion to total notes in circulation declined slightly to 9.4 per cent and 1.7 per cent in 1962-63 from 9.6 per cent and 1.8 per cent respectively in 1961-62. As against these rises, high denomination notes (issued from April 1954), which had shown an increase of Rs. 12 crores in 1961-62, recorded a decline of Rs. 25 crores to Rs. 69 crores in 1962-63, their share in total notes in circulation falling from 4.5 per cent to 3.2 per cent. The fall was shared by all the denominations in this category, viz., Rs. 1,000, Rs. 5,000 and Rs. 10,000, their respective shares in total notes in circulation falling from 3.0, 1.0 and 0.5 per cent, in 1961-62 to 2.2, 0.6 and 0.4 per cent in 1962-63.

*Circulation of Rupee Coin :* The circulation of rupee coin (the bulk of which represents one rupee notes issued by the Government of India) showed a smaller increase in 1962-63 of Rs. 6.0 crores as compared to Rs. 8.5 crores in 1961-62 and Rs. 10.5 crores in 1960-61. Their circulation, after rising by Rs. 7.4 crores in the first two months of the year, dropped in the subsequent four months by Rs. 10.8 crores, but again rose almost steadily during the rest of the year by Rs. 9.5 crores.

The circulation at the end of March 1963 at Rs. 156.2 crores† showed a rise of 4.0 per cent over the year and of 33.5 per cent over the low of Rs. 117.0 crores

\* The expansion would have been Rs. 136.2 crores if the return of Indian currency from Kuwait during the period April-June 1961 (Rs. 34.2 crores) is ignored.

\*\* Net of Rs. 43 crores of Indian notes returned from circulation in Pakistan.

† Since June 7, 1947, by which date all standard silver rupee coins had ceased to be legal tender, rupee coin in circulation in India has comprised (i) Government of India one rupee notes issued from July 1940, (ii) quaternary silver rupees issued between December 1940 and June 1946, (iii) nickel rupees issued from June 1947 and (iv) pure nickel decimal rupees issued from 2nd July, 1942. Since June 1946, quaternary silver rupee coins are in the process of being withdrawn. Out of these coins amounting to Rs. 94 crores outstanding on the date of discontinuance of their issue, coins of the value of Rs. 62 crores had been retired upto March 31, 1963.

touched in 1957-58. On April 4, 1963, the Reserve Bank received, from the Government of India, one rupee notes of the value of Rs. 5 crores in terms of Section 36(2)† of the Reserve Bank of India Act against payment of legal tender value. At the close of the year, rupee coin holdings of the Reserve Bank which consist mainly of one rupee notes amounted to Rs. 116 crores.

*Circulation of Small Coin:* Like rupee coin, circulation of small coins also showed a smaller rise during 1962-63 of Rs. 6.2 crores as compared to Rs. 7.4 crores in 1961-62. The rise in circulation during 1962-63 was the net result of an almost continuous rise in the circulation of decimal coins and a fall in the circulation of old coins. The rise in the circulation of decimal coins was Rs. 7.74 crores as compared to Rs. 8.50 crores in 1961-62 and Rs. 7.94 crores in 1960-61. The circulation of 50 naye paise coins recorded the largest rise of Rs. 2.36 crores, followed by 25 naye paise coins, 10 naye paise coins and 5 naye paise coins which showed increases, respectively, of Rs. 1.83 crores, Rs. 1.52 crores and Rs. 0.94 crore. The increases in the circulation of 2 naye paise coins and one naya paisa coins were of the same order as in last year i.e. Rs. 0.52 crore and Rs. 0.57 crore, respectively. The withdrawal of old anna-pice coins was slightly higher during 1962-63 at Rs. 1.58 crores as compared to Rs. 1.13 crores in 1961-62 but much lower than that in 1960-61 (Rs. 5.06 crores). The circulation of old half-rupee and four-anna coins declined by Rs. 48 lakhs and Rs. 26 lakhs, respectively. Among the other old coins, one-anna coins accounted for a fall of Rs. 57 lakhs, two-anna coins for Rs. 19 lakhs and half-anna coins for Rs. 6 lakhs.

There was a further return from circulation of quaternary silver small coins of the value of Rs. 49 lakhs during 1962-63.

#### MISCELLANEOUS

*Position of Escudo and Portuguese Rupee notes and coins consequent on the liberation of the former Portuguese territories in India:* Mention was made in the last year's Report of the demonetisation, effective May 15, 1962, of Escudo notes and coins circulating in the former Portuguese territories following the promulgation by the President, of the Goa, Daman and Diu (Currency and Coinage) Regulation, 1962. Under this Regulation, all Portuguese Rupee notes and coins issued by the Portuguese authorities in those territories were also demonetised with effect from the 15th May, 1962. In terms of Section 5 *ibid*, which provided that the Central Government might, at its discretion, accept Escudo currency for exchange during such period, after its demonetisation, as they might consider necessary, exchange facilities were made available upto the 14th July 1962 in the case of Escudo/Portuguese Rupee notes and upto the 14th August 1962 in the case of Escudo/Portuguese Rupee coins. These facilities were provided at the branches of the State Bank of India in

† This section provides that, after the close of any financial year in which the maximum amount of rupee coin held in the assets, as shown in the weekly accounts of the Issue Department of the Reserve Bank, is less than fifty crores of rupees, or one-sixth of the total amount of the assets, whichever may be greater, the Central Government shall deliver to the Reserve Bank rupee coin upto the amount of such deficiency, but not without its consent, exceeding five crores of rupees, against payment of legal tender value.

Goa and Daman and the State Bank of Saurashtra, Diu. Arrangements were also made by the Government of India for providing exchange facilities at the various fazendas (treasuries) in Goa, Daman and Diu. The total exchange value paid upto the above dates amounted to Rs. 9.48 crores.

*Old Notes :* The value of old notes written off in 1962-63 under Section 34(2)(a)\* of the Reserve Bank of India Act amounted to Rs. 2,73,800 as compared to Rs. 2,48,500 in 1961-62. Notes, which had been written off under this Section but which were subsequently presented for payment and paid by the Banking Department of the Bank, amounted to Rs. 2300 as compared to Rs. 910 in the preceding year.

*Lost, Destroyed and Mutilated Notes :* During 1962-63, claims in respect of lost, destroyed and mutilated notes admitted at Bank's offices amounted to Rs. 71 lakhs and payments made during the year against these claims as also payments against claims admitted during the preceding years amounted to Rs. 64 lakhs as compared to Rs. 122 lakhs and Rs. 119 lakhs, respectively, during 1961-62.

*Note Forgeries :* The total number of forged notes, including Government of India one rupee notes, received by the Bank during 1962-63 was 2224 as compared with 3115 for Rs. 36,801 in the preceding year.

*Coinage :* During 1962-63, 1491 million pieces of decimal coins valued at Rs. 10.6 crores were minted as compared to 1443 million in 1961-62 valued at Rs. 8.8 crores and 793 million in 1960-61 valued at Rs. 5.6 crores. Of the total number of pieces minted during the year, 37.2 per cent were for 1 nP. pieces. The total mintage of decimal coins since 1956-57 amounts to 7313 million pieces, valued at Rs. 38.5 crores.

*Withdrawal of Silver, Cupro-nickel and Copper Coins :* During 1962-63, the aggregate value of uncirculated coins withdrawn from circulation amounted to Rs. 0.67 crore and current coins to Rs. 3.29 crores as compared to Rs. 2.64 crores and Rs. 3.16 crores, respectively, during 1961-62.

*Counterfeit Coins :* The number of counterfeit coins cut at treasuries and railway stations showed a progressive decline from 11.3 lakhs in 1958-59 to 2.6 lakhs in 1960-61, to 0.8 lakh in 1961-62 and further to 0.7 lakh in 1962-63.

\* Section 34(2) as amended provides that: (a) any currency note of the Government of India or bank note which has not been presented for payment within forty years from 1st day of April following the date of its issue and (b) any bank note referred to in Section 26A shall be deemed not to be in circulation and the value thereof shall, notwithstanding anything contained in sub-section (2) of Section 23, be paid by the Issue Department to the Central Government or the Banking Department as the case may be: Provided that any note referred to in clause (a) if subsequently presented for payment and any note referred to in clause (b) if directed to be paid by the Central Government, shall be paid by the Banking Department and any such payment in the case of currency note of the Government of India shall be debited to the Central Government.

## APPENDIX I: UNION GOVERNMENT BUDGET PROPOSALS, 1963-64.

The Union Government Budget proposals for 1963-64 were presented to the Parliament on February 28, 1963, in the form of three specific bills, viz., the Finance Bill, 1963, the Super Profits Tax Bill, 1963 and the Compulsory Deposit Scheme Bill, 1963. In the course of the debate on these bills, the Union Finance Minister announced a series of concessions and modifications to these proposals. The more important features of the original proposals and the subsequent modifications to these proposals, as finally adopted by the Parliament, are briefly set out below:

### Direct Taxes

#### 1. Income tax:

(i) The Finance Bill, 1963 proposed the levy of an additional surcharge, for the purpose of the Union, rising progressively from 4 per cent to 10 per cent on the incomes after tax, of individuals, Hindu undivided families, unregistered firms and associations of persons. This additional surcharge, is calculated on the residual income, viz., assessee's total income (exclusive of capital gains, if any), reduced by the income-tax and super-tax thereon. For this purpose, the gross income-tax and super-tax are deducted from the total income and not the net tax leviable after allowing any rebates. This surcharge shall not be taken into account in calculating any relief, rebate or deduction e.g., rebate on provident fund contributions made out of total income. A part of this additional surcharge liability can be discharged through the Compulsory Deposit Scheme.

(ii) It was also proposed to levy a surcharge, for the purpose of the Union, of 20 per cent on the income-tax payable by registered firms. A subsequent modification to this proposal makes a distinction between income from business and income derived from carrying on a profession e.g., accountants, solicitors, engineers, etc. The 20 per cent surcharge rate has now been made applicable only to the income-tax attributable to business incomes of registered firms; for all other incomes the surcharge is only 10 per cent of the income-tax attributable to such incomes.

An additional yield of Rs. 45 crores is expected from these measures (i and ii) as originally proposed, of which Rs. 12 crores will accrue as compulsory deposits. The reduction in yield as a result of the subsequent modification to item No. (ii) is small.

(iii) The exemption limits of Rs. 15,000 for certain Hindu undivided families and of Rs. 7,500 for individuals, unregistered firms, etc. hitherto allowed on the existing surcharges are abolished; and also no such exemption limit is allowed on the special surcharge. The revenue effect of this measure, however, is small.

(iv) Other new features of the Finance Bill in regard to income taxation relate to streamlining of the tax machinery, incentives for prompt payment and penalties for delays in payment of taxes and a curb on the growth of perquisites. A discount of 1 per cent on the tax, is allowed if the tax is paid before the 1st January of the assessment year. This discount is also available on the amount paid on the basis of the income disclosed in the return though an assessment may not have been made before the said 1st January. Further, if an assessee does not file a return of his total income by the 31st December of the relevant assessment year or having filed the return does not pay the tax due on the basis of such return by that date, he shall be liable to pay interest on the amount of tax payable by him at 2 per cent per annum, calculated from the 1st day of January of the relevant assessment year to the date on which an assessment is made. Relevant sections of the Income-tax Act are also being amended to secure that the amount of advance tax demanded by the Income-tax Officer, on the basis of the last completed regular assessment of the assessee, could be revised by him, if the income determined in a provisional assessment for a later year is higher.

(v) It was originally proposed that in the case of any company, the expenditure incurred by it on the remuneration and perquisites for an individual employee in excess of Rs. 5,000 per month for any period after February 28, 1963 shall not be allowed as a deduction in the computation of the company's total income. In recognition of the importance of the services rendered by foreigners serving in India in jobs for which Indian nationals are not available in requisite numbers, and on considerations that foreigners can only come to serve in India on salaries and emoluments comparable to what they would expect to earn elsewhere, and that they have to bear some extra expenditure in living away from home, it has now been provided that the restriction will not apply in the case of employees of foreign nationalities.

Measures listed under items (iv) and (v) are expected to yield Rs. 12 crores in 1963-64.

(vi) Where the tax payable by an assessee has been reduced as a result of an order of rectification or an order of appeal, reference or revision, interest payable by the assessee for failure to pay the tax in due time is, consequentially reduced and the excess amount paid, if any, shall be refunded.

(vii) Provisions of the Income-tax Act relating to the recovery of arrear tax dues through officers of the State Governments, functioning as Tax Recovery Officers are also being amended, with a view to removing certain difficulties and to expedite recovery of arrears.

(viii) *Export Incentive:* The rebate of one-tenth of income-tax and super-tax attributable to income from exports out of India, of all assessee other than foreign companies granted in 1962-63 is being continued in 1963-64. In addition, a further rebate of tax is allowed to a manufacturer who after 28-2-1963 either himself exports, or where the first purchaser from him exports himself any articles manufactured by the former in any of the industries (other than certain specified industries e.g., textiles, cement, sugar, etc.), listed in the First Schedule to the Industries (Development and Regulation) Act, 1951. The additional rebate of tax will be calculated on an amount equal to two per cent of the turnover. The total amount of the rebate will of course not exceed the tax payable by the assessee.

(ix) *Development rebate for coal companies:* In order to promote investment in the coal industry, an additional concession has been granted to coal companies, under which the development rebate eligible for income-tax for these companies has been raised from 20 per cent to 35 per cent for a period of three years, 1963-64 to 1965-66.

## 2. Super Profits Tax:

A new tax is being superimposed on the corporate sector, in terms of the Super Profits Tax Bill, 1963 which aims at mitigating the lack of correlation between the rate of tax and the percentage of profits earned by the corporate sector, as also to act as a dis-incentive to excessive profits. The main features of the Bill as originally presented to the Parliament are as follows:

In computing the chargeable profits for this tax, the total income computed for that year under the Income-tax Act shall be adjusted to exclude (i) capital gains, (ii) any compensation or other payment referred to in clause (ii) of Section 28 of the Income-tax Act and (iii) profits of any business of life insurance. On the balance of the total income, income-tax and super-tax shall be calculated at rates in force in the financial year, as if such income had been the total income, no portion of which had been exempt from the payment of income-tax and super-tax and on no portion of which any deduction of income-tax and super-tax had been admissible. The tax so calculated shall be deducted from the aforesaid income and the remainder constitutes the chargeable profits for Super Profits Tax. It is also proposed to disallow expenses on commission, advertisement and entertainment to the extent that there is reason to believe that they are inflated for reducing profits artificially. Where the chargeable profits exceed 6 per cent of the paid-up capital and reserves (excluding such amount of reserves which have been allowed as deductions in computing total income for income-tax), as on the first day of the previous year relevant to the assessment year, the super profits tax will be applicable at the following rates. The rate of tax will be 50 per cent when that income is above 6 per cent but not above 10 per cent of the paid-up capital and reserves referred to above, and 60 per cent on incomes above 10 per cent. The tax was expected to yield a revenue of about Rs. 25 crores in 1963-64.

A number of substantial concessions have now been provided in regard to both the computation of chargeable profits and capital base, largely with a view to ensuring that the corporate sector is not deprived of the resources necessary for new development as well as for meeting committed obligations such as debt repayments. The Act now provides that in computing the chargeable profits the following items of incomes will first be deducted from the total income determined for income-tax purposes: (i) capital gains, (ii) compensation or other payments for termination or modification of managing or other agency agreements, (iii) profits of life insurance business, (iv) balancing charge amounts on sale of depreciated assets (vide Section 41(2) of the Income-tax Act), (v) profits of new industrial undertakings and hotels on which income-tax is not payable (vide Section 84 of the Income-tax Act), (vi) interest on tax-free securities of the Central or State Governments, (vii) donations for charitable purposes to the extent they are exempted from income-tax (Section 88 of the Income-tax Act), (viii) dividends from an Indian company or a company which has made the prescribed arrangements for declaration and payments of dividends in India, (ix) royalties received from Government, local authorities or any Indian concern, (x) in the case of a foreign company, income by way of interest or fees for rendering technical services received from Government or local authorities or any Indian concern, (xi) in the case of a company (other than a banking company) a sum equal to 10 per cent of the total income computed for income-tax purposes as reduced by the amount of capital gains, compensation payment or life insurance profits. For the assessment year 1963-64 no conditions are attached for making this deduction but for future years similar deductions will be available only if the company, either: (a) uses an equivalent amount during the year on repayment of borrowings or debt incurred for acquisition of capital assets, or on acquisition of any capital assets in India for its business or on payment of preference dividends in excess of 6 per cent of the preference share capital, or (b) where the amount spent for the purposes mentioned above during the year falls short of 10 per cent of total income the shortfall is transferred to a special reserve account and utilised during a period of five years next following only for one or more of the above purposes. These conditions are, however, waived in the case of an electricity undertaking, (xii) banking companies are allowed to deduct either (whichever is higher): (a) the amounts transferred to statutory reserve funds

or deposited in the Reserve Bank (vide Sections 17 and 11(2) (b) (ii) of the Banking Companies Act, 1949) upto the minimum amount required under those provisions, or (b) profits transferred to non-statutory reserves which have not been allowed as reduction in computing the total income for income-tax, not exceeding the highest of such sums so transferred during any one of the three years prior to the previous year, (xiii) the amount of tax saved on account of the reliefs provided under the Income-tax Act in respect of export profits.

The balance of the total income after deducting the above mentioned items will further be reduced by the amount of Corporation tax (income-tax and super-tax) actually payable by the company on its total income after taking into account the reliefs and rebates available under the income-tax structure. The Corporation tax attributable to capital gains, compensation payments and life insurance profits will, however, be excluded from the deductible Corporation tax.

In the case of a company liable to pay tax on its income in any foreign country, the tax paid on the income in the other country will also be included in the deductible tax.

The Act also provides that the disallowance of expenditure on commission and advertisements as excessive could be made only with the previous sanction of the Inspecting Assistant Commissioner.

*Carry forward of the deficiency:* Where there are no chargeable profits or where the profits fall short of the standard deduction, viz., 6 per cent of the capital base or Rs. 50,000 whichever is greater, the deficiency may be carried forward and set off against chargeable profits of the following years for a period of three assessment years immediately following.

In regard to the capital base it has now been made clear that share premia received in cash will be treated as part of the paid-up capital, while statutory development rebate reserve will be treated as part of the reserve for inclusion in the capital base. The capital base thus computed will be reduced by amounts invested in life insurance business, tax-free securities of the Central and State Governments and shares in other companies to the extent they exceed the aggregate of borrowings and any other funds, profit and loss account surplus and any reserves which are not included in the capital base for super-profits tax purposes.

The reduction in yield on account of these changes is put at Rs. 5 crores.

### 3. Wealth Tax:

The existing exemption upto Rs. 25,000 allowed for jewellery in Section 5 of the Wealth-tax Act for the purpose of computing the net wealth of assessee has been withdrawn. On the other hand, the 10-Year Defence Deposit Certificates and 12-Year National Defence Certificates which have been issued recently have been included amongst Government Securities in respect of which assessee are exempt from wealth-tax. This change is expected to yield an additional revenue of Rs. 40 lakhs.

### Changes in Postal Rates

The existing rates of 5 nP. for single and 10 nP. for reply post cards have been raised to 6 nP. and 12 nP., respectively. Local post cards as a separate category are abolished. For books, pattern and sample packets, the rates are raised from 8 nP. for the first 50 grams and 3 nP. for every additional 25 grams to 10 nP. and 5 nP., respectively. The rates on parcels are increased from the existing charge of 50 nP. to 60 nP. for every 400 grams. The registration fee is enhanced from 50 nP. to 55 nP. and the acknowledgement fee from 6 nP. to 10 nP. Certain other increases in the fees for certificate of posting, insurance, business reply permits and post box rentals are also made. The additional revenue expected from the increase in the postal rates is placed at about Rs. 3.15 crores.

The inland telegram rates are increased from 80 nP. for the first 8 words and 8 nP. for each additional word to one rupee for the first 10 words and 10 nP. for each additional word, and those for greetings telegrams from 50 nP. for 6 words and 7 nP. for each additional word to 75 nP. for the first 8 words and 10 nP. for each additional word. The rates for express telegrams are correspondingly doubled. The separate category of local telegrams including greetings telegrams is abolished. Hitherto, the charge for registration of abbreviated telegraphic addresses varied with the period of validity of the registration; now a uniform fee of Rs. 50 for a period of 12 months is levied. These measures are expected to bring in Rs. 95 lakhs.

As regards trunk telephones, the concession on urgent calls during the period the concessional rates apply, is reduced from 50 per cent to 25 per cent and the concession on priority calls during this period is withdrawn. This is anticipated to yield about Rs. 50 lakhs. The changes in postal, telegraph and telephone rates would in all yield Rs. 4.6 crores.

## Indirect Taxes

Items	Rate of Duty	Additional yield (Rupees Crores)
<b>I Union Excise Duties</b>		
A. Enhancement of Existing Rates:		
1. Tobacco—Unmanufactured Tobacco	Duty raised from Rs. 1.20 to Rs. 1.60 per kilogram ..	5.68
—Manufactured Tobacco	Duty on 1000 cigarettes raised from Rs. 1.30—Rs. 25.30 to Rs. 2.00—Rs. 34.00 .. .. .. ..	6.87
2. Mineral oils—Motor spirit	Duty raised from Rs. 325.10 to Rs. 410.00 per kilolitre..	12.00
Kerosene—Superior	Duty raised from Rs. 79.88 to Rs. 210.00 per kilolitre ]	19.06
—Inferior	Duty raised from Rs. 64.20 to Rs. 160.00 per kilolitre ]	
3. Refined Diesel Oils and Vaporizing Oil	Duty raised from Rs. 305.25 to Rs. 390.00 for refined diesel oils and from Rs. 283.95 to Rs. 370.00 per kilolitre for vaporizing oil .. .. .. ..	11.04
4. Diesel oil not otherwise specified	Duty raised from Rs. 117.70 to Rs. 195.00 per metric tonne .. .. .. ..	6.30
5. Vegetable Product	Duty raised from Rs. 20.00 to Rs. 32.00 per quintal ..	4.20
6. Paints and Varnishes	Duty on various items raised, the extent of increase ranging from about 3% to 25% .. .. ..	0.35
7. Soap	Duty raised from Rs. 8.85—Rs. 27.55 for different varieties to Rs. 13.25—Rs. 37.55 per quintal .. ..	1.25
8. Paper—Strawboard	Duty raised from 15 nP. to 35 nP. per Kg. .. ..	0.25
9. Copper and Copper Alloys	Duty raised from Rs. 100—Rs. 300 to Rs. 300—Rs. 500 per metric tonne .. .. .. ..	0.30
10. Iron and Steel Products	Amendment of the duty with a view to simplify administration .. .. .. ..	—
11. Tea	Discontinuance of the rebate on exported tea .. ..	3.23
12. Cinematograph films exposed	Duty on features films, advertisement shorts and other films cleared within 12 months of certification raised from 10 nP.—45 nP. to 15 nP.—50 nP. per metre and on films cleared after 12 months of certification from 15 nP. to 25 nP. per metre in the case of films exceeding 3250 metres in length	
	Total ..	70.53
13. Vegetable Non-essential oils	Total exemption from duty of Rs. 110.25 per metric tonne of vegetable non-essential oils extracted with the aid of power .. .. .. ..	-10.25
	Net Total of A ..	60.28

Items	Rate of Duty	Additional yield (Rupees Crores)
<b>B. Surcharges on Central Excise Duty:</b>		
<i>10% Surcharge on the duty under Central Excises and Salt Act, 1944, on Synthetic dyes, Printing and writing paper, Jute manufactures, Glass other than plate and sheet glass, Chinaware, Porcelainware, Tinplate, Interco combustion engines, Electric storage batteries, Electric bulbs, Motor spirit and Diesel oils</i>		
		14.34
<i>20% Surcharge on the duty under the Central Excises and Salt Act, 1944, on Tea, Coffee, Unmanufactured tobacco, Cigarettes, Vegetable product, Paints and varnishes, Soap, Cosmetics, Plastics, Cellophane, Tyres, Rubber products, Paper other than printing and writing paper, Cotton yarn of less than 35 counts, Woollen fabrics, Art silk fabrics, Cement, Plate and sheet glass, Electric motors, Dry electric batteries, Electric fans, Motor vehicles other than Motor cars, Films and Aluminium</i>		
		35.78
<i>33 1/3% Surcharge on the duty under Central Excises and Salt Act, 1944, on Cigars, Rayon and Woollen yarn, Cotton yarn of 35 counts or more, Silk fabrics, Refrigerators and airconditioning machinery and parts thereof, Wireless receiving sets, Radiograms and Motor cars</i>		
		5.81
	Total of B ..	<b>55.93</b>
<b>C. Concessions in Excise Duties:</b>		
The additional excise duties on kerosene have been reduced as under, largely to mitigate the hardship to the poorest sections of the community.		
Kerosene	Reduction in the excise duty originally proposed on kerosene by Rs. 27/- per kilolitre for superior kerosene and by Rs. 54/- per kilolitre for inferior kerosene ..	—4.00
	<b>TOTAL YIELD FROM UNION EXCISE DUTIES I(A+B-C) .. .. ..</b>	<b>112.21</b>
<b>H. Customs Duties:</b>		
<b>D. (i) Import Duties (Basic):</b>		
1. Palm oil	Statutory rate of duty by notification raised from 10% to 20% and preferential rate from nil to 10% ..	0.23
2. Tobacco	Duty on manufactured tobacco raised from Rs. 37.50 to Rs. 60 per Kg. and on unmanufactured tobacco from Rs. 33 to Rs. 50 per Kg. .. .. ..	0.65
3. Kerosene	Duty on superior quality raised from Rs. 101.15 to Rs. 231.27 per kilolitre and on inferior quality from Rs. 85.47 to Rs. 181.27 per kilolitre .. ..	27.09
4. High speed diesel oil	Duty raised from Rs. 44.55 per kilolitre (or 16% ad valorem whichever is higher) plus Rs. 287.60 per kilolitre to Rs. 455.90 per kilolitre .. .. ..	5.55
5. Vaporizing oil	Duty raised from Rs. 44.70 per kilolitre or 16% ad valorem whichever is higher, plus Rs. 266.15 per kilolitre to Rs. 433.90 per kilolitre .. .. ..	0.07
6. Motor spirit	Duty raised from Rs. 368.95 to Rs. 494.85 per kilolitre.	1.14

Items	Rate of Duty	Additional yield (Rupees Crores)
7. Diesel oil not otherwise specified	Duty raised from 16% <i>ad valorem</i> plus Rs. 103 14 to Rs. 230.54 per tonne	0.59
8. Cinematograph films, not exposed	Duty raised from Rs. 6.60 to Rs. 12.00 per 100 linear metres	0.25
9. Cinematograph films, exposed	No change in the statutory rate of duty of Rs. 1.60 per linear metre. The duty by notification (89 n.P.) is cancelled but countervailing duty is levied	0.17
10. Paints, colours and painters' materials, not otherwise specified	Duty raised from 50% to 60% (Standard) and from 40% to 50% (Preferential)	0.14
11. Dyes derived from coal-tar and coal-tar derivatives used in any dyeing process, not otherwise specified	Duty raised from 30% to 50%	0.60
12. Rubber, raw	Duty raised from 10% to 20%	0.48
13. Cotton, raw	No change in standard rate of duty (26 n.P. per Kg.) but a duty of 10 n.P. per Kg. is to be charged by notification	2.00
14. Iron and steel articles	Duty raised by 5% over the existing rates in general; and some specific rates rounded off to next rupee, in addition..	5.05
15. Hardware, ironmongery and tools, all sorts, not otherwise specified	Duty raised from 50% to 60% <i>ad valorem</i> in the case of tools and from 75% to 100% in the case of others	1.18
16. Machinery, not otherwise specified, Textile machinery and apparatus, Printing and lithographic materials, Component parts of machinery	Duty raised from 15% (10% for some articles) to 20% (15% for some articles)	12.00
17. Electrical instruments, apparatus and appliances, not otherwise specified, excluding telegraphic and telephonic	Duty raised from 50% to 60% (Standard) and 40% to 50% (Preferential)	0.53
18. Certain specified electrical control gear and transmission gear	Duty raised from 50% to 60% (Standard) and 40% to 50% (Preferential)	0.22
19. Conveyances not otherwise specified	Duty raised from 35% to 50%	0.50
20. Certain components of motor vehicles other than motor cycles and motor scooters	Duty raised from 25% to 50% (Standard) and 17 1/2% to 42 1/2% (Preferential)	3.44

Items	Rate of Duty	Additional yield (Rupees Crores)
21. Instruments, apparatus and appliances other than electrical, all sorts, not otherwise specified	Duty raised from 50% to 60% (Standard) and 40% to 50% (Preferential) ... ... ... ..	0.38
22. Photographic instruments, apparatus and appliances	Duty raised from 50% to 60% (Standard) and 40% to 50% (Preferential) ... .. .. ..	0.17
23. Asbestos, raw including fibre	No change in the standard rate of duty of 50% but a duty of 25% (against no duty hitherto) proposed to be charged by notification. ... .. ..	0.60
24. All other articles not otherwise specified	Duty raised from 50% to 60% ... .. .. ..	2.95
	Total D (i) ...	65.98
(ii) Levy of surcharge on all dutiable articles, at a flat rate of 10% of the duty otherwise payable	... .. .. .. ..	18.89
(iii) Concessions in Customs Duties:		
1. Kerosene	Reduction in the proposed import duty by Rs. 27/- per kilolitre for superior and by Rs. 34/- per kilolitre for inferior kerosene ... .. .. ..	—7.00
2. Machinery and Equipment	Reduction in the proposed import duty on certain types of machinery and equipment ... .. ..	N.A.
	(a) Import duty on machinery and component parts of machinery used for the manufacture of fertilizer is reduced to the standard rate of 15 per cent <i>ad valorem</i> .	
	(b) Import duty on tubing for mine face ventilating fan, bulbs with safety mining lamps, mining pumps with flameproof motor, shuttle cars, flameproof mine ventilation fans (blowers) and flameproof mine ventilation fans (exhaust) used for mining is reduced to the standard rate of 15 per cent <i>ad valorem</i> .	
	(c) Import duty on flameproof ventilating fans (exhaust) with less than 24" diameter, safety mining lamps, safety mining torches and hydraulic pit prop utilised for mining is reduced to the standard rate of 25 per cent <i>ad valorem</i> and preferential rate of 15 per cent <i>ad valorem</i> .	
	The 10 per cent surcharge originally proposed for all dutiable articles will continue even in regard to the items in (ii) above.	
	Total yield from Customs D (i+ii+iii) ...	77.87
E. (i) Countervailing Import Duties on:-		
1. Paints and Painters' materials ..	.. .. .. .. ..	0.11
2. Coal-tar dyes ..	.. .. .. .. ..	0.07
3. Cinematograph films, exposed ..	.. .. .. .. ..	0.05
4. Paper, not otherwise specified ..	.. .. .. .. ..	0.08

Items	Rate of Duty					Additional yield (Rupees Crores)
5. Art silk yarn	11	"	11	11	11	1.90
6. Tinplate and tinned sheets	11	"	11	11	11	0.07
7. Copper and manufacture	11	"	11	11	11	1.09
8. Aluminium, crude and manufactures	11	"	11	11	11	0.28
9. Refrigerators, air-conditioners and parts	11	"	11	11	11	0.06
10. Radios and radiograms	11	"	11	11	11	0.06
11. Electric motors	11	"	11	11	11	0.12
12. Plastics	11	"	11	11	11	0.23
13. Motor vehicles	11	"	11	11	11	0.09
14. All other articles, not included above	11	"	11	11	11	0.09
					Total E (i)	4.30
(ii) From change in the basis for levy of countervailing duty ..						3.60
					Total of E (i+ii)	7.90
<b>F. Export Duty:</b>						
Tea:—Complete withdrawal of export duty on tea...	—	—	—	—	—	—5.38
					TOTAL YIELD FROM CUSTOMS DUTIES II (D-E-F)	80.39
III. Amendments proposed in the Central Sales Tax Act...	—	—	—	—	—	1.50
					TOTAL YIELD FROM INDIRECT TAXES (I+II+III)	194.10*

\*Of which Rs. 6.80 crores will accrue to the States.

### Compulsory Deposit Scheme

In order to supplement additional taxation and voluntary savings and to introduce a measure of austerity among all sections of the community, the Budget proposals embody a comprehensive scheme of compulsory savings which was placed before the Parliament in the form of the Compulsory Deposit Scheme Bill, 1963. The Bill as originally presented to the Parliament provided for compulsory saving on the part of different sections of the people on appropriate scales subject to certain maxima. The maxima were 50 per cent of the basic land revenue on 1959-60 assessment for agriculturists, 3 per cent of the annual rental value of property for property-owners in urban areas, 3 per cent of salary for employees earning more than Rs. 1,500 per annum but not liable to income-tax. In the case of shopkeepers whose annual turnover is Rs. 15,000 or more and who are not liable to pay income-tax the maximum will be one-third of one per cent of the turnover during the year immediately preceding that in which the deposit is required to be made, while in the case of persons other than shopkeepers liable to payment of taxes on professions, trades, callings and employments it will be equal to the amount of the relevant tax payable by them during the year in which the deposit is required to be made. In the case of income-tax payers whose residual income after payment of tax does not exceed Rs. 6,000, an amount equal to 3 per cent thereof and in the case of others having a higher amount of residual income, an amount equal to 2 per cent of the residual income on being deposited under the Compulsory Deposit Scheme be deducted from the new additional surcharge payable by them. These deposits are not withdrawable for a period of five years and carry simple interest at 4 per cent per annum.

The Scheme was reconsidered by the Finance Ministry in close consultation with the State Governments; as a result of the analysis made, several concessions have been granted and changes introduced in the scheme largely with a view to making its administration simpler and to avoid any undesirable consequences. The more important of these concessions are noticed below:

(a) *Exemptions*. The undernoted categories of persons are exempted from the purview of the Scheme: (i) Persons paying land revenue of less than Rs. 5/- per annum, (ii) Persons liable to profession tax but whose income is not large enough to bring them within income-tax range, (iii) Salaried classes whose income is Rs. 1,500 or more per year but below the income-tax level and who are already saving 11 per cent or more of their income by way of contribution to provident funds, life insurance premia of 10 and 15-year Cumulative Time Deposits, (iv) Urban property owners, if they are already paying income-tax on income, in which their income from the urban property would any way be included. It is also provided that where the property is assessed to tax on a standard other than its annual rental value, the maximum rate of deposit in all such cases shall be 12½ per cent of property tax payable annually which would approximately be equal to 3 per cent of the annual rental value, (v) Dealers liable to State sales taxes but not liable to income-tax are exempted from compulsory deposit if their annual turnover does not exceed Rs. 15,000 or the minimum limit for registration under the relevant State Sales tax Act, if it is higher.

*Other modifications*: (a) Persons liable to payment of land revenue of Rs. 5 or more per annum are now required to make a compulsory deposit of 30 per cent of the land revenue payable by them for the year in which the deposit is to be made (and not 50 per cent of the land revenue assessed for 1959-60, as originally proposed).

(b) Employees of branches of foreign companies operating in India are also liable to make the deposit, the obligations of the foreign employer in this respect being the same as those of an Indian employer.

(c) Provision is also made for the premature repayment of deposits in the event of the death of the depositor, or in the event of a foreigner leaving India finally or any other case involving equal hardship.

(d) Penalty for failure to make deposit, has been reduced to half of the deposit which a person is liable to make.

*Financial implications of the Scheme*: Compulsory deposits are collected in co-operation with the States which get a share in the proceeds of the Scheme. Total collections according to the original proposal, were estimated at about Rs. 65 to Rs. 70 crores. Pending the finalisation of the sharing arrangements with the States, the Union Budget for 1963-64 assumed a credit to the Centre of Rs. 40 crores under the Scheme, on the presumption that the deposits from persons liable for payment of land revenue and property taxes would be shared equally between the Centre and the States and that the rest of the deposits would accrue exclusively to the Centre. With a view to simplify the sharing arrangements, it has now been decided to let the States retain in full the collections made by them from land revenue payers, while the deposits made by all other categories will accrue to the Centre. As a result of the above stated modifications, the total collections under the Scheme are not likely to exceed Rs. 60 crores, of which the States are expected to get Rs. 35 crores and the Centre Rs. 25 crores.

## APPENDIX II: STATE GOVERNMENTS' BUDGET PROPOSALS, 1963-64

Additional  
yield  
(Rupees Lakhs)

**Andhra Pradesh**

## Enhancement of existing levies :

(1) Certain modifications in the General Sales Tax*	100
(2) Changes in motor vehicles taxation	100
(3) Reorganisation and tightening of arrangements for the neera shops*	300
(4) Levy on non-agricultural lands in urban areas	100
Total ...	<u>600</u>

\* These measures are under consideration of the Government.

**Assam**

## I. New levy :

A tax on immovable property in urban areas at 3 per cent of annual letting value of State property

## II. Enhancement of existing levies :

(1) Revision of the rate of agricultural income-tax	162
(2) Revision of the existing taxes on public transport vehicles	
(3) A rise in the rate of sales tax on luxury goods to 10 n.P. in the rupee; a rise in sales tax on petrol from 8 n.P. to 10 n.P. per litre; kerosene so far an exempted category is being subjected to sales tax at the rate of 2 n.P. per litre	
(4) Revision of the rate of stamp duty and court fees to bring them to the levels obtaining in other States	
(5) Increase in excise duty on country-made liquor	
(6) Rationalisation of the rates of royalty on timber	

Total ... 162

**Gujarat**

## I. Enhancement of existing levies :

(1) Increase varying from 10 per cent to 35 per cent in land revenue rates	67
(2) Increase in non-agricultural assessment on lands; an extra 50 per cent assessment on urban building lands which have remained vacant for more than three years. The existing surcharge on non-agricultural assessment introduced last year would be discontinued from August 1963	22
(3) Withdrawal of exemption from non-agricultural assessment for lands falling within village sites adjacent to towns and cities with population exceeding 5,000	15
(4) Increase in the rate of tax on passenger fares from 15 per cent to 20 per cent; fares on the routes in municipal areas which had so far been exempt would be subject to tax at 50 per cent of the rate of tax	28
(5) Increase in the rates of motor vehicles taxation by amounts ranging from Rs. 8 to Rs. 120 per vehicle except in the case of passenger buses	30
(6) Increase in sales tax on cotton from 1 per cent to 2 per cent with a rebate of 1 per cent in the case of sales of cotton imported from other States after payment of Central Sales tax (at 2 per cent)	15
(7) Increase in the rate of general sales tax by 1/2 per cent and the extension of retail tax of 1/4 per cent to more commodities	33
(8) Increase in the rate of sales tax on certain luxury items from 7 per cent to 10 per cent; withdrawal of exemption from sales tax in the case of Gur and Kulf, and imposition of a tax on them at a rate of 3 per cent; increase of tax on betelnuts, matches, electrical goods, tea, coffee, etc.	45
(9) Increase in the rate of sales tax on motor spirit from 11 n.P. per litre to 12 n.P. per litre	7

	Additional yield (Rupees Lakhs)
(10) Increase in the rates of entertainment duty	15
(11) Increase in rates of stamp duty on certain important classes of documents except conveyance and levy of a surcharge of 10 per cent on the amount of duty payable at present rates on all other documents	10
(12) Increase in electricity duties in certain areas	2
Total ...	292
<b>II. Concessions:</b>	
(i) Withdrawal of the special increase in land revenue	—67
(ii) Withdrawal of exemptions from non-agricultural assessment in respect of village sites	—15
(iii) Withdrawal of Sales tax at 3 per cent on gur and increase in General Sales Tax from 2 per cent to 3 per cent	— 2
Total ...	—84
<b>Net Total (I-II) ...</b>	<b>208</b>

**Jammu and Kashmir**

<b>I. New levies:</b>	
(1) A tax on passenger fares on bus routes other than the roads on which such tax is charged at present	
(2) A duty on consumption of electricity	
(3) A tax on commercial property at a uniform rate of 10 per cent in all the rating areas	
<b>II. Enhancement of existing levies:</b>	
(1) Extension of the scope of the sales tax to more items and enhancement of existing rate on luxury goods	100
(2) Revision of the rates of tax on agricultural income as under:	
<i>Income group</i>	<i>Rate</i>
Rs.	
3,000 — 10,000	... 5% to 8%
10,001 — 20,000	... 7% to 11%
20,001 — 50,000	... 13½% to 20%
Above 50,000	... 20% to 25%
Total	100

**Kerala**

<b>I. New levies:</b>	
(1) Levy of electricity duty at the rate of 20 per cent of the tariff on consumers of high tension energy and 10 per cent of the tariff on all other classes of consumers	30
(2) Imposition of fees in standards 6, 7 and 8	N.A.
(3) Introduction of tax on passengers and goods carried by motor vehicles	
A tax on stage carriages at the following rates :	
<i>Daily mileage</i>	<i>Rate of tax per seat per quarter</i>
Vehicles plying upto 200 Kilometres	Rs. 35
Exceeding 200 Kilometres	Rs. 40
The rate for standing capacity would be Rs. 10 per person per quarter	
A tax on goods vehicles on the basis of weight; increase in the tax on motor cars and motor cycles	120

Additional  
yield  
(Rupees Lakhs)

**II. Enhancement of existing levies:**

- (1) Additional tax on entertainments at the rate of 10 nP. per ticket of value of Re. 1 and less and 20 nP. for tickets of the value of more than Re. 1; surcharge of 25 per cent will be levied on show tax 30
- (2) Upward revision of sales tax on selected commodities which are now taxed at a uniform rate of 7 per cent to 10 per cent 20
- (3) Increase in the rate of general sales tax (multi-point) from 2 per cent to 3 per cent 120
- (4) Increase in admission and tuition fees in colleges 125
- (5) Increase in the bus fare in both departmental and private services 40
- (6) Enhancement of Stamp duty 60

Total (I+II) ... 545

**III. Concessions :**

- (i) Withdrawal of the increase in and the imposition of admission and tuition fees in colleges and schools 125
- (ii) Reduction in entertainment tax on tickets of the value upto 50 nP. from 10 nP. to 5 nP. 10

Total ... 135

Net Total (I+II-III) ... 410

### Madhya Pradesh

**New levies :**

- (1) First point sales tax at 1 per cent *ad valorem* on food-grains except minor grains like kodon, katre and sawan 100
- (2) Introduction of water rates for various crops throughout the State 30
- (3) Regularisation of trade in "kendu" leaves by the creation of a State monopoly in such trade 20

**II. Enhancement of existing levies:**

- (1) Increase in sales tax on luxury goods (refrigerators, wireless sets, typewriters etc.) from 7 per cent to 10 per cent 12
- (2) Increase in sales tax on petrol from 8 nP. to 10 nP. per litre, on high speed diesel oil from 4 nP. to 5 nP. per litre and on motor spirit other than petrol and high speed diesel oil from 3 nP. to 5 nP. per litre 25

Total (I+II) ... 187

### Maharashtra

**I. New levies:**

- (1) Sales tax on bulk purchases made by distributing licensees and users of electricity exceeding 5 million units in a year 55
- (2) Imposition of a tax on goods carried by road in private carriers 7

**II. Enhancement of existing levies:**

- (1) Increase in duty from 0.8 nP. to 1 nP. per unit on low tension industrial consumers 10
- (2) Changes in electricity duty for "removal of anomalies" 8
- (3) Increase in inter-state sales tax levy on goods like cinematographic equipment, tyres and tubes and motor car spares entering into inter-state trade to 10 per cent 15

Total (I+II) ... 95

	Additional yield (Rupees Lakhs)
<b>III. Concessions:</b>	
(i) Concession in electricity duty in respect of agricultural lift pumps upto a certain size	N.A.
(ii) Amendments to Bombay Sales Tax Act, 1959, resulting in virtual abolition of purchase tax, save in the case of purchases made by manufacturers and on goods purchased from persons other than registered dealers	N.A.
Total ...	N.A.
Net Total (I+II-III) ...	<u>95</u>

**Orissa**

<b>I. New levies:</b>	
(1) A toll on new roads and bridges	
(2) Tax on state trading in "Kendu" leaves	
<b>II. Enhancement of existing levies:</b>	
(1) Increase in sales tax from 7 per cent to 10 per cent on luxury goods	
(2) A change in the motor vehicles taxation	
(3) Increase in irrigation rates	
(4) Enhancement of electricity duty	
(5) Step-up of registration fees	
Total (I+II) ...	<u>65</u>

**Punjab**

<b>I. New levies:</b>	
(1) A tax on areas under cotton, sugarcane and chillies at the rate of Rs. 5 per acre on canal irrigated zones, and Rs. 3 per acre in other areas	90
(2) Introduction of fees in classes above primary stage in all schools	73
<b>II. Enhancement of existing levies:</b>	
(1) Increase in entertainment tax to 50 per cent	7
(2) Increase in tax on passenger fares from 16·6 per cent to 25 per cent of the fare	100
(3) Increase in tax on motor vehicles by 25 per cent	15
(4) Increase in the rate of sales tax on luxury goods from 7 per cent to 10 per cent	25
(5) Increase in the rate of General Sales Tax from 5 per cent to 6 per cent	100
(6) Enhancement of sales tax on foodgrains from 0·75 per cent to 1·5 per cent	55
(7) Increase in electricity duty from the existing slabs (10 per cent upto 30 units and 25 per cent beyond 30 units) to a uniform rate of 40 per cent on domestic and commercial supply	67
Total (I+II) ...	<u>532</u>

<b>III. Concessions:</b>	
Reduction of the new levy on lands under cotton, sugarcane and chillies to Rs. 4 per acre for canal irrigated areas and Rs. 2 for others	— 20
Total ...	<u>20</u>
Net Total (I+II-III) ...	<u>512</u>

**Rajasthan**

<b>I. New levies:</b>	
(1) A tax on certain forms of advertisements in cinemas	4
(2) A tax on tractors with and without trailers	N.A.
(3) A tax on purchase of cows and she-buffaloes for disposal outside the State	N.A.
(4) A sales tax at 4 nP. per litre on low speed diesel oil and at 6 nP. on high speed diesel oil	8

Additional  
yield  
(Rupees Lakh)

- |   |     |
|---|-----|
| (5) A sales tax on jowar, bajra and maize at 1 per cent and on other cereals at 2 per cent  | 70  |
| (6) A consolidated general cess on land revenue in the place of the existing surcharge on land revenue and the panchayat samiti tax. The rate of this cess will be 25 per cent of land revenue up to holdings of 13-5/8 acres of irrigated lands, 33 per cent of land revenue up to holdings of 31-2/8 acres of irrigated lands and 50 per cent for holdings above this limit | 185 |
| (7) Modification with regard to exemption of electricity duty for industries. Duty charged is 1 per cent for all energy consumed for purposes of manufacture, production, processing or repair of goods except electro-thermal and electro-chemical industries  | 6   |

#### **II. Enhancement of existing levies:**

- |   |    |
|---|----|
| (1) Enhancement of stamp duties on conveyance deeds relating to immoveable property on a slab system and of surcharge from 30 per cent to 50 per cent on stamp duties   | 50 |
| (2) Increase in tax on motor cars and stage carriages   | 20 |
| (3) Enhancement of the rate of tax on certain luxury goods from 7 per cent to 10 per cent   | 45 |
| (4) Increase in the rate of general sales tax from 5 per cent to 6 per cent. The exemption in respect of certain goods like raw-materials used in listed industries has been withdrawn, such goods now being subject to tax at 1 per cent | 59 |
| (5) Increase in the rate of royalty on minor minerals   | 3  |

Total (I+II) ... 450

#### **III. Concessions:**

- |  |        |
|--|--------|
| (1) The sale of "muddas" is exempted from Central sales tax in order to extend the protection to cottage industries                      | } N.A. |
| (2) Extension of the exemption from sales tax to footwear made by hand   | —160   |
| (3) Exemption from general cess on land revenue for holdings upto 45 acres and a surcharge of only 25 per cent on holdings over 45 acres | —160   |

Total —160

Net Total (I+II-III) 290

### **Uttar Pradesh**

#### **New levy:**

Tax varying from 5 per cent to 6 per cent on land holdings of more than 30 acres in area and having more than Rs. 3,600 as annual value (holdings subject to the emergency levy would be exempt to the extent of levy)

Total 25

### **West Bengal**

#### **Enhancement of existing levies:**

- |   |     |
|---|-----|
| (1) Changes in sales tax on goods subject to tax at last point of retail sale to first point of wholesale sale in order to prevent evasion of sales tax | } 1 |
| (2) Extension of sales tax to certain goods on the exemption list   | 250 |
| (3) A sales tax on raw materials purchased by manufacturers of tax-free goods   | }   |
| (4) Increase in the tax rate on luxury goods  | 100 |
| (5) Increase in duty on industrial consumption of electricity   | 200 |
| (6) Revision of rates of motor vehicles tax*  | 100 |
| (7) Revision of non-judicial stamp duty*  | }   |

Total ... 650

Grand Total 33,04

\* The measures were adopted in 1962-63 but became effective from 1963-64.

**APPENDIX III: IMPORTANT EXPORT PROMOTION ANNOUNCEMENTS, 1962-63**

Item	Month of Announcement	Details
<b>A. Changes in Control</b>		
Raw cotton	May 1962	Fixation of a ceiling of Rs. 20 lakhs for export of Bengal Deshi cotton to Yugoslavia.
"	September 1962	Release of an export quota of 2 lakh bales of Bengal Deshi cotton to all permissible destinations (excluding rupee-payment arrangements countries) valid for shipment upto August 31, 1963.
"	February 1963	Release of further quotas of 75,000 bales of Bengal Deshi cotton and 25,000 bales of short staple cotton other than Bengal Deshi having a staple length not above 3/4" valid for shipment from February 18, 1963 to August 31, 1963.
"	March 1963	Exports of miscellaneous short staple fibres such as Assam Comillas, Zoda, Yellow Picking and Sweeping etc. decontrolled with effect from March 5, 1963.
Cotton textiles	November 1962	Validity period of shipment of the quota of 195 million square yards to the U.K. extended from November 30, 1962 to March 31, 1963.
"	December 1962	A scheme for licensing the exports of cotton textiles to the U.K. for the year 1963 was announced.
"	"	A ceiling of 11.5 million lbs. was fixed for export of pure cotton yaro to the U.K. during the year 1963.
"	March 1963	Control over exports of handloom striped bed spreads known as 'Etawah Stripes' was imposed with effect from March 8, 1963.
H.P.S. groundnut kernels	May 1962	Release of an export quota of 20,000 tons of H.P.S. Groundnut Kernels to all permissible destinations except South Africa and South West Africa, during 1962.
"	July 1962	Validity period of shipment of the quota of 20,000 tons (released in May 1962) extended upto January 31, 1963.
Vegetable oils	August 1962	Control over exports of cottonseed oil, kardiseed oil, nigerseed oil, salad oil, sesame seed oil and oilcakes other than groundnut oilcake (expeller variety) and deoiled groundnut meal, lifted with effect from August 25, 1962.
Linseed oilcake and coconut oilcake	September 1962	Decision to release a quota of 50,000 tons of linseed oilcake and 15,000 tons of coconut oilcake for export during October 1962-March 1963 to all permissible destinations excluding South Africa, South West Africa and Tibet Region of China.
Groundnut oilcake (expeller variety)	November 1962	Decision to release an export quota of 26,500 metric tonnes of groundnut oilcake (expeller variety) to all permissible destinations upto the end of March 1963 on first-come-first-served basis.
Tobacco	March 1963	Control over exports of flue-cured virginia tobacco was imposed with effect from March 2, 1963. Minimum and maximum export prices of different grades of tobacco for 1963 crop were fixed.
Silk-waste	December 1962	Export quota for silk-waste fixed at 2.5 lakh lbs. for 1963, of which 1.75 lakh lbs. allotted for exports from Calcutta and 0.25 lakh lbs. from Madras.
Bauxite	April 1962	Revised ceilings on export of bauxite fixed at 2.50 lakh tons for Saurashtra and 50,000 tons each for Bombay and Calcutta.

Item	Month of Announcement	Details
Bauxite	July 1962	Release of an additional quota of 2 lakh tons for export from all ports including Goa.
"	October 1962	Overall ceiling of 5.5 lakh tons per annum fixed for two years, October 1962-October 1964 and the port-wise quantity restrictions on exports withdrawn.
Shellac and seedlac	October 1962	50% of the quantity sought to be exported must have been acquired from the stocks held by the S.T.C.
"	February 1963	Control over the export of refuse lac lifted from February 2, 1962 and the condition of acquiring half of the quantity from the stocks held by the S.T.C. was withdrawn.
"	"	Minimum export price of seed lac (B II Quality) fixed at Rs. 5/- per maund excluding duty and Rs. 58/- per maund including duty with effect from February 2, 1963.
"	March 1963	Control over exports of shellac, seed lac and all other forms of lac excepting refuse lac and stick lac was reimposed with effect from March 4, 1963.
Raw goat skins wet or salted	January 1963	Established exporters allowed a quota upto 60% of their best year's exports during 1954-1958 or 1.25 lakh pieces in case of small exporters, during 1963.
Picker waste	October 1962	Control over export of picker waste lifted with effect from October 1962.
Rewa sillimanite	January 1963	Decision to allow export of Rewa sillimanite freely without quantitative restrictions.
Molasses	March 1963	Exports of molasses brought under control with effect from March 1963.
Giant tyres, tubes and flaps, aero tyres and tubes.	January 1963	Ban on export lifted, exports allowed on merits with effect from January 26, 1963.
Motor vehicles and spare parts	February 1963	Ban on exports lifted, exports allowed on merits with effect from February 16, 1963.
<b>B. Import Entitlement Schemes</b>		
Cotton textiles		
(a) Raw Cotton Entitlements: Cotton cloth December 1962 and/or yarn		Retention quota of raw cotton entitlements increased from 30% to 40% of the import entitlement against exports effected from October 1, 1962.
(b) Other entitlements (for coal-tar dyes, textile chemicals and gum, embellishments, sewing, and knitting machines, etc.)		
(i) Ready-made garments made out of cotton cloth	May 1962	Import entitlements raised from 15% to 25% of the f.o.b. value from April 1962. Non-manufacturing exporters can use entire entitlement of 25% for import of dyes and chemicals. Manufacturer exporter can use (i) a maximum of 15% of the f.o.b. value for import of dyes and chemicals or (ii) a maximum of 25% for import of embellishments provided that no single item exceeds half the total value or (iii) the entire entitlement for import of industrial power sewing machines and spare parts.
"	September 1962	The proportion of import of dyes-intermediates was raised from 35% to 75% and that of coal-tar dyes reduced from 65% to 25%.

Item	Month of Announcement	Details
(ii) Grey, bleached and dyed, printed or processed cloth and grey and processed yarn	May 1962	Entitlements for coal-tar dyes, textile chemicals, etc. were fixed between 2 and 8 per cent of the f.o.b. value of exports of mills, registered processors and exporters. Not less than 35 per cent of the entitlement could be used for import of dyes-intermediates. Not more than 65 per cent of the entitlement could be utilised for import of coal-tar dyes/textile chemicals.
"	September 1962	The proportion of import of dyes-intermediates raised from 35% to 75% and that of coal-tar dyes reduced from 65% to 25%.
"	October 1962	With effect from September 5, 1962, the premium allowed on sale of imported dyes-intermediates raised from 50 to 60 per cent.
(iii) Non-fabric cotton textile manufacturers, hosiery goods made out of cotton yarn (excluding those under Sports Goods Scheme), embroidered goods with cotton cloth as base,	September 1962	From July 1, 1962, the proportion of import of dyes-intermediates raised from 35% to 75% and that of coal-tar dyes reduced from 65 to 25 per cent.
(iv) Hand dyed cloth	January 1963	Import entitlement for coal-tar dyes, chemicals and gum extended to hand-dyed cloth as an experimental measure for one year from January 1, 1963.
(v) Mixed braided threads and cords	January 1963	Decision to extend import entitlement for coal-tar dyes, chemical and gum to these items.
(vi) Khadi fabrics	March 1963	Decision to grant import entitlements for coal-tar dyes, chemicals and gum to the extent of 15% of the f.o.b. value of exports of khadi fabrics.
(c) Other measures: (i) Hand-printed cloth and hand-loom fabrics	June 1962	The facility to permit import of cellophane paper against exports of hand-printed cloth and handloom fabrics discontinued.
(ii) All textiles under cotton textiles export promotion scheme	June 1962	Ban imposed on import of hydrosulphite of soda against export promotion scheme licences.
"	July 1962	Decision to extend import entitlements for coal-tar dyes, textile chemicals and gum to exports to Afghanistan on condition that imports must be made from countries having special rupee payment arrangements.
"	August 1962	The ban on imports of sodium perborate and hydrosulphite of soda under cotton textiles export promotion schemes extended to other textile export promotion schemes, e.g. woollen goods and art silk fabrics.
"	December 1962	The ban on imports of hydrosulphite of soda under various export promotion schemes for textiles lifted with effect from the quarter October/December 1962.
Art silk fabrics	June 1962	The facility to permit import of cellophane paper discontinued.

Item	Month of Announcement	Details																		
Art silk fabrics	August 1962	Decision to raise the limit of import entitlement for art-silk yarn under the Export Promotion Scheme upto Rs. 15,000/- per loom per annum during April 1962-March 1963.																		
"	October 1962	Decision to grant licences for art-silk and/or synthetic yarn fibre upto 100% of the f.o.b. value of goods exported or as per schedule of international prices worked out by the Textile Commissioner, whichever was lower, and 10% of entitlement could be used for permissible types of machinery equipment and spare parts.																		
"	February 1963	Decision to allow 50% of the import entitlement to be used for importing doubled and stretched yarn and 5% embellishments such as zip fasteners, rubber thread and buttons.																		
Stainless steel products	April 1962	A revised "Special Export Promotion Scheme for stainless steel products" effective April 1, 1962 was announced. Under the Scheme manufacturers-exporters would get import entitlements as under:																		
		<table> <thead> <tr> <th>Category of products exported</th> <th>Import entitlement % of f.o.b. value</th> <th>Material that can be imported</th> </tr> </thead> <tbody> <tr> <td>Stainless steel utensils</td> <td>66</td> <td rowspan="4">Stainless steel sheets, strips, coated or otherwise, rods and wires, as may be fixed from time to time.</td> </tr> <tr> <td>Stainless steel watch straps</td> <td>33</td> </tr> <tr> <td>Stainless steel cutlery</td> <td>33</td> </tr> <tr> <td>Stainless steel products, unspecified</td> <td></td> </tr> </tbody> </table>	Category of products exported	Import entitlement % of f.o.b. value	Material that can be imported	Stainless steel utensils	66	Stainless steel sheets, strips, coated or otherwise, rods and wires, as may be fixed from time to time.	Stainless steel watch straps	33	Stainless steel cutlery	33	Stainless steel products, unspecified							
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"	January 1963	Entitlements against stainless steel watch straps increased to 50% of the f.o.b. value of exports.																		
"	March 1963	Withdrawal of the special export promotion scheme and its inclusion under export promotion scheme for engineering goods. Under entitlements of 75% of the f.o.b. value of exports granted against exports of all stainless steel products.																		
Leather and leather products	April 1962	A new "Special Export Promotion Scheme" for finished leather and leather products effective April 1, 1962, was announced. The import entitlements are as under:																		
		<table> <thead> <tr> <th>Category of export</th> <th>Import entitlement % of f.o.b. value</th> <th>Material that can be imported</th> </tr> </thead> <tbody> <tr> <td>Leather shoes with soles and heels of leather or rubber</td> <td>15</td> <td>Boot and shoe gaudery</td> </tr> <tr> <td>Leather chappals and sandals</td> <td>7½</td> <td>Boot and shoe gaudery</td> </tr> <tr> <td>Leather suitcases, handbags, brief cases etc.</td> <td>15</td> <td>Metal fittings</td> </tr> <tr> <td>Leather washers</td> <td>50</td> <td>Chrome slips</td> </tr> <tr> <td>Finished leather</td> <td>75</td> <td>Hides and skins raw or salted including pickled hides and skins; chemicals necessary in the tanning industry can also be imported.</td> </tr> </tbody> </table>	Category of export	Import entitlement % of f.o.b. value	Material that can be imported	Leather shoes with soles and heels of leather or rubber	15	Boot and shoe gaudery	Leather chappals and sandals	7½	Boot and shoe gaudery	Leather suitcases, handbags, brief cases etc.	15	Metal fittings	Leather washers	50	Chrome slips	Finished leather	75	Hides and skins raw or salted including pickled hides and skins; chemicals necessary in the tanning industry can also be imported.
Category of export	Import entitlement % of f.o.b. value	Material that can be imported																		
Leather shoes with soles and heels of leather or rubber	15	Boot and shoe gaudery																		
Leather chappals and sandals	7½	Boot and shoe gaudery																		
Leather suitcases, handbags, brief cases etc.	15	Metal fittings																		
Leather washers	50	Chrome slips																		
Finished leather	75	Hides and skins raw or salted including pickled hides and skins; chemicals necessary in the tanning industry can also be imported.																		
"	July 1962	Imports of stamping foils, fancy leather for uppers and chemical leather (P.V.C.) or any other plastic leather allowed upto certain maximum face value restrictions against exports of leather sheet.																		

Item	Month of Announcement	Details
Leather and leather products	October 1962	Further revisions made in import entitlements for various items. Import entitlements against exports of leather travel goods and leather footwear increased to 60 per cent of the f.o.b. value of exports. Import entitlements also extended to cover dyeing and tanning substances, synthetic tanning agents, boric acid, etc.
Non-ferrous metals and their alloys	July 1962	Import entitlements under export promotion scheme extended to cover imports of steel items used in the finished goods not fabricated indigenously.
Fruit products, biscuits and confectionery	July 1962	A Special Export Promotion Scheme covering fruit products—mango chutney, jams, jellies, marmalades, crystallised fruits, fruit syrups, squashes, cordials, canned fruits, biscuits and confectionery—announced in July 1962. Manufacturer entitled to get 10% of the foreign exchange earnings on the export with effect from April 1 1962. It superseded the earlier scheme operated by the S.T.C.
French Coffee	August 1962	The policy of canalising all imports of chicory powder through the Coffee Board modified. French coffee exporters allowed to import chicory powder to the extent of 15% of the past exports of French Coffee direct from soy source. Imports in excess of 15% required a recommendation from the Coffee Board.
Agarbatties	August 1962	Imports under the export promotion scheme permissible only in packs weighing not less than $2\frac{1}{2}$ kg.
"	December 1962	Scheme extended to exporters in States, where co-operative societies have not been formed, on certain conditions.
"	January 1963	Revised scheme within the purview of the Export Promotion Scheme for chemicals and allied products with effect from January 1, 1963 announced.
Umbrellas	August 1962	With effect from July 1, 1962, umbrellas were excluded from the export promotion scheme for engineering goods and a separate Special Export Promotion Scheme for umbrellas was announced under which import entitlements were as follows :—
Commodity	Import entitlement % of f.o.b. value	Material that can be imported
Umbrellas.	32½	Coloured or printed umbrella cloth made of nylon, art-silk or synthetic fibres excluding cotton cloth, components for folding umbrella frames, automatic devices for opening and closing of umbrellas, elastic tapes and permissible dyes and chemicals upto 15% of the face value which could be sold to an actual user.
Umbrella ribs	17½	Mild steel wire rods or wire, high carbon steel wire rods or wire and high carbon steel strips.
Packed sea food and froglegs	September 1962	Import entitlement of 50% of the f.o.b. value of exports in excess of the average exports made in 1959 and 1960 granted for import of nylon twine, nylon yarn for the manufacture of nylon twine, fishing tackle and any other equipment for catching fish in addition to import of marine diesel engines allowed earlier.

Item	Month of Announcement	Details
Jewellery	September 1962	Sale of jewellery (manufactures of diamonds, cut and polished precious stones, jewellery set with precious stones, imitation jewellery, pearls and synthetic stones) to tourists treated as export for purposes of incentive under the Export Promotion Scheme.
Pencils	September 1962	Import entitlements increased from 50% to 100% out of which 80% for wood slabs and 20% for other items.
Vanaspati	September 1962	Decision to allow import entitlements for copra upto 75% of the f.o.b. value of exports, 10 per cent of which can be used for imports of chemicals, spares, etc.
"	October 1962	Decision to allow import of palm oil also against export of Vanaspati-Hydrogenated oil, within the overall limit of 75% of the f.o.b. value of exports.
Cut and polished Synthetic stones	February 1963	Exporters of cut and polished synthetic stones to be supplied with raw synthetic stones at concessional prices at the rate of 5 kg. per stones for every 1 kg. of finished synthetic stones exported and 3.5 kg. for every 1 kg. of glass or goli exported.
Books, journals, publications printed material, paper packagings, etc.	February 1963	For exports of books etc. effected on or after January 1, 1963, a revised scheme of export promotion involving (a) an increase in the entitlements in respect of books, (b) expansion in the list of permissible items against entitlements and (c) simplification of procedure in calculating entitlements was announced.

### C. Other Export Promotion Measures

1. The scheme for enrolment of exporters as originally formulated by Government was withdrawn and instead a simple procedure of registration of exporters with Export Promotion Councils, Commodity Boards, Port Export Promotion Officers was adopted in July 1962, to enable exporters to avail of the benefits of export promotion scheme. In order to expedite the issue of incentive licences against exports, the Export Promotion Councils were authorized to recommend directly to the licensing authorities, import of such raw materials, components, spares etc., an exporter was permitted to import as per his latest actual user licence.
2. The Government issued a new Export Control Order, effective October 10, 1962, freeing a large number of items from export control; the ban on exports is now restricted to only 78 items compared with 185 items on the old list. Two lists have been drawn up, one showing the banned items and other listing the commodities for which there will be free licensing within the quota which will be announced on an annual basis. Some of the major items on which controls were removed were manganese ore and concentrates, de-oiled groundnut meal, ferro-alloys, cement, bitumen and starch etc.
3. Drawbacks of Customs, Central Excise duties were allowed on exports of cameras, labels, laboratory ovens and incubators, R.C.C. Span pipes, printed cellophane packages and sugar milling machinery from April 1962, tar-boiler, duplicators, detonators, machine-tools, prisms, cylinder liners, piston rings, centrifugal castings, switchgear and control gears, cocoa powder, chocolate, stainless steel, copra cake, de-oiled copra cake, storage batteries, etc. from July 1962, and steel barbed wire, printing ink, silver nitrate, tooth-brush, gas-cylinder, sanitary ware, agarbatties, clocks, storage batteries, leather manufactures etc. from November 1962.
4. The rate of rebate of central excise duty on cotton seed oil used in vegetable products was increased from Rs. 6/- to Rs. 7.50 per quintal from May 1, 1962.
5. Exemption from central excise duty on groundnut oil in excess of Rs. 68.90 per metric tonne was granted in August 1962, to assist exports of de-oiled groundnut cake.
6. An ad hoc rebate of central excise duty at the rate of Rs. 2.25 per kg. was granted for woollen yarn, jute manufactures and organic dyestuffs used in the manufacture of woollen shawls exported.

**APPENDIX IV: IMPORTANT ANNOUNCEMENTS IN REGARD TO IMPORT CONTROL POLICY, 1962-63**

Item	Month of Announcement	Details
<b>I. Import Policy: General</b>		
1. Policy for April-September 1962	End of March 1962	A reference was made to this policy announcement in the Report for 1961-62. Salient features of the policy were: (i) the acceptance with certain modifications of the Mudaliar Committee's recommendation regarding issue of licences on an annual basis. Annual licences to be issued indicating that 50 per cent should be utilised in the first half. (ii) Policy was essentially restrictive and items for which quotas were reduced were chemicals like hydrosulphate of soda, textile preservatives, drugs and medicines and some items of electrical equipment. Items like yeast, cartridges, argon gas, resin powder etc. were banned.
2. Policy for October 1962—March 1963	December 1962	Basic objective of giving preference to raw materials and components needed by export industries continued except that in the light of defence requirements and growing stringency of foreign exchange position some readjustments in priorities were effected: (i) raw materials needed for production of luxury and semi-luxury items were banned or given very small quotas; (ii) additional items (in blocks, tin scrap, ball, roller and taper bearings and components) were brought under the purview of S.T.C. for importation in order to prevent profiteering by middlemen and (iii) quotas to established importers and actual users for several other items were reduced. In all, these reductions were expected to effect a saving of Rs. 10 crores.
<b>II. Policy in regard to Important Individual Items</b>		
<b>A. Raw materials</b>		
1. Raw cotton	July 1962	Announcement of an import quota of 1.75 lakhs bales of cotton stapling 1-1/16" and above for import from any area.
"	August 1962	Allocation of the import quota of 1.75 lakhs bales as follows: (a) 0.25 lakh bales to mills against their retention quota under the Cotton Textiles Export Incentive Scheme; (b) 0.75 lakh bales to consumers of foreign cotton stapling 1-3/16" and above and (c) the balance (0.75 lakh bales) to mills consuming cotton stapling between 1-1/16" and 1-3/16". Mills applying for licences would be required to pay premium of Rs. 150 and Rs. 200 per bale of cotton stapling between 1-1/16" to 1-3/16" and above 1-3/16" respectively.
"	September 1962	Announcement of a quota of 0.55 lakh bales of cotton of 1-1/16" and above but below 1-3/16" in staple from the U.S.A. under the Sugar-Cotton Barter deal.
"	November 1962	Decision to allow imports of 3.75 lakhs bales of long staple cotton from the U.S.A. under P.L. 480.
"	January 1963	Decision to impose cuts in respect of allocations made in August 1962. Accordingly, the quota for cotton stapling 1-3/16" and above to be cut by 25 per cent and that for stapling between 1-1/16" to 1-3/16" by 45 per cent.
"	January 1963	Extension of the shipment period for imports of 0.55 lakh bales of cotton from the U.S.A. under the Sugar-Cotton Barter deal by a month to January 31, 1963.

Item	Month of Announcement	Details
2. Raw Jute	September 1962	Announcement of a quota of one lakh bales for import of jute cuttings from Pakistan.
3. Art Silk Yarn	July 1962	Decision to suspend during 1962-63 the issue of licences for import of art silk yarn to actual users whose requirements were to be met by the State Trading Corporation from rupee sources.
4. Staple Fibre (man-made)	October 1962	Decision to allow the import of staple fibre (man-made) from the U.S.A. under A.I.D. Loan No. 217.
5. Hides and Skins	June 1962	Decision to extend the validity for another six months (upto September 30, 1962) of the permits which expired on March 31, 1962 for import of hides and skins from Afghanistan by established importers and new comers.
	November 1962	Decision to issue free, to established importers and new comers permits for import of hides and skins from Afghanistan during the 1962-63 agreement period namely October 1962-November 1963.
6. Newsprint	May 1962	Announcement of relaxations in regard to allotment of additional newsprint quota on account of increase in newspaper circulation, classifying newspapers according to their daily circulation for this purpose.
"	July 1962	Imposition of cuts of 5 to 7½ per cent in the actual user's quota for newsprint imports.
"	January 1963	Decision not to allow quotas of newsprint for newspaper chain groups and multiple units for publication of additional newspapers.
7. Stainless Steel	December 1962	Ban on barter imports of stainless steel sheets for utensil manufacturer.
B. Machinery		
1. Cotton Textile Machinery	May 1962	Validity of licences issued under the 2nd U.S. Export Import Bank Credit Arrangement for textile machinery components and spares expiring on June 30, 1962 extended upto October 31, 1962, provided documentary evidence was furnished to show that the imports would be completed by October 31, 1962 and an undertaking given to the effect that payments would be made by end of November 1962.
2. Woollen Textile Machinery	November 1962	Grant of permits to woollen textile mills to import spare parts and accessories needed to step up production to meet the defence requirements.

### III. Specified Items from Certain Agreement Countries

1. Afghanistan		
fruits (dried)	August 1962	Decision to stop further imports of dry fruits from Afghanistan either by sea, land or air during the rest of the agreement year ending September 30, 1962.
Fruits (dried and fresh), asafoetida, cumin seeds, medicinal herbs, red oxide, etc.	September 1962	Decision to permit imports of all the specified items on an ad hoc basis from Afghanistan during the next agreement period (October 1962—November 1963) by approved importers who have been handling Afghan imports during the four years ended 30th June 1962.

Item	Month of Announcement	Details
2. Iran		
Fruits (dried and fresh), asafoetida, dates, medicinal herbs, red oxide, etc.	September 1962	Decision to grant <i>ad hoc</i> licences for the import during the period August 1962—January 1963 of the specified items from Iran by established importers who had been handling Iranian imports for the past ten years.
3. Pakistan		
(a) Open General Licences for Import from Pakistan of		
(i) Fish, salted, wet	May 1962	Issue of Open General Licence (LXIX) valid till September 1962 for the import from Pakistan of the specified items.
(ii) Fish not otherwise specified	September 1962	Issue of OGL LXIX valid till December 1962.
(iii) Hides and skins raw or salted And Against Payments in non-convertible Indian rupees	December 1962	Issue of OGL LXXI valid till 20th March 1963.
(iv) Kapok and (v) Tortoise	March 1963	Issue of OGL LXXII valid till June 20, 1963.
(b) Fresh fruits, fruit plants and fresh vegetables	June 1962	Decision to grant <i>ad hoc</i> licences for the year April 1962-March 1963 for the import of the specified items from Pakistan against payment in non-convertible Indian rupees in terms of the trade agreement with that country.
Green spices, eggs, poultry, betelnuts etc.	July 1962	Decision to issue licences on an <i>ad hoc</i> basis for the import of about 12 items (e.g. green spices, eggs, poultry etc.) from Pakistan during April 1962-March 1963 against payment in non-convertible Indian rupees in terms of the agreement with that country.
Cinematograph films (exposed)	September 1962	Decision to issue licences on an <i>ad hoc</i> basis for imports of cinematograph films (exposed) by established importers during 1962-63 provided payment was made in non-convertible Indian rupees.

## APPENDIX V: TARIFF COMMISSION'S RECOMMENDATIONS, 1962-63

Industry	Purpose	Moh's Observations of the Commission			Government's Action on the Recommendations
		1	2	3	
<b>A. Tariff Inquiries</b>					
1. Antimony	Review of protection as presented in 1958 recommendations	Protection granted to the industry to be continued at the existing rates of protection until the end of 1961 as recommended earlier.			Accepted.
2. Strategic oil and (Olefins etc.)	Continuance of protection.	Protection granted to the strategic and other oil industries could be discontinued after the expiry of the present terms on December 31, 1962.			Accepted.
3. Plastics (phenol formaldehyde moulding powder)	"	Protection granted to phenol formaldehyde moulding powder industry could be withdrawn after December 31, 1962.			Accepted.
4. Hall hearings	"	Protection granted to the industry to be continued at the existing rate of protective duty for a further period of three years ending December 31, 1965.			Accepted.
5. Sheet glass	"	Protection granted to the industry should be continued at the existing rate of protective duty for a further period of three years ending December 31, 1965.			Accepted.
6. Smelting metals (Secondary manufacturers)		Items employing protection since 1957 are non-electrolytic copper rods, copper pipes and tubes, lead sheets other than for ten cent, certain types of zinc sheets, zinc stabs, brass pipes, tubes and rods. Of these, only copper pipes and tubes, brass pipes and tubes, extruded non-ferrous, electrolytic copper rods and extruded brass rods were recommended for continuance of protection till December 31, 1965. In respect of others, withdrawal of protection was suggested. Two new items, namely, extruded brass sections and highly polished zinc sheets for process tanks were recommended for protection at the rates of 40 per cent and 35 per cent ad valorem, respectively, till the end of 1965.			Accepted.
<b>B. Price Inquiries</b>					
1. Sugarcane		The continuation of the formula for linking the cane price with the price of sugar-cane with the price of sugar.			Under the existing scheme sugar-cane price is being determined by linking the cane price with the sale proceeds from sugar bought by the mill in proportion to cost of production of sugar excluding taxes.

Industry	Purpose	Main Observations of the Commission		Government's Action on the Recommendations	
		1	2	3	4
1.	The Commission recommended that to ensure equity to all, this scheme should be replaced by one based on payment according to quality. Pending implementation of such a scheme a collective incentive to be given to all cane growers attached to a factory in the form of a premium element in the cane price based on the extent to which the average recovery of the preceding season is an improvement over the previous average.	Accepted.	Accepted.	Not accepted. The Government decided to retain the existing sharing ratio with such modifications as were necessary in respect of Commission's suggestions regarding rehabilitation allowance, export losses and sharing of incentives.	Not accepted by the Government since this would be discriminatory. It was decided to grant the allowance only to those factories which had set apart or utilised funds for rehabilitation in the years 1958-59 to 1961-62.
2.	For the seasons 1958-59 to 1961-62 the sharing formula should give the grower 45 per cent of the additional sugar price, the miller 30 per cent and the balance to represent taxes on the share of the miller.				Accepted.
3.	Recommended rehabilitation allowance at the rate of 40 np. per manad (for 10 per cent recovery and duration of 150 days) to factories in the Northern Region and 20 np. in Madhya Pradesh and Rajasthan and none to other regions.			Government decided that only 75 per cent of the incentives earned by the industry need be shared with growers and 25 per cent could be set apart for payment of taxes.	Not accepted by the Government since this would be discriminatory. It was decided to grant the allowance only to those factories which had set apart or utilised funds for rehabilitation in the years 1958-59 to 1961-62.
4.	Recommended exemption of new factories put up at high cost from the scheme of sharing formula for the first three years.			Not accepted. The Government decided a price of Rs. 522.50 per tonne for salable steel and Rs. 325 per tonne for steel ingots on the basis of a capital block of Rs. 1,176 per tonne and excluding the special advances from the retention price. The price of pig iron was fixed at Re. 1 lower than the Commission's recommendations.	Accepted. The rates but reduced the works costs to four months instead of six.
5.	Incentives given by the Government for increase in production of sugar to be shared in the same ratio as suggested for sharing the additional realisation over the fair ex-factory price of sugar.			Government decided not to include in the retention price an element for meeting charges or special advances left over after payment of interest on and repayment of the special advances and left the matter for consideration later.	
2.	Steel	Fixation of retention prices	Recommended (a) (i) a price of Rs. 550 per tonne for salable steel; (ii) Rs. 344 per tonne for steel ingots; and (iii) an increase of about Rs. 3 per tonne over existing price in the case of pig iron.	(a) a return at 8 per cent on the representative block and interest at 5 per cent on working capital estimated at six months works cost.	
			This was based on a recommended capital block of Rs. 1,300 per tonne for the price period 1960-62.	(b) Based on an equalized payment spread over a period of 20 years, the special element allowed in the retention price for payment of interest on and repayment of the special advances should be Rs. 8 per tonne of salable steel.	

## REPORT ON CURRENCY AND FINANCE, 1962-63

Government's Action on the  
Recommendations

4

## Main Observations of the Commission

3

Industry	Purpose		
1	2		
3. Sheet Glass	To fix the selling prices.	1. The ex-works selling prices given below (exclusive of all levies Not accepted. The Government instead of fixing prices for the various cut and manufacturing sizes fixed prices only for the various thickness groups as follows:	

(A) Window Glass (ordinary quality)		(Rs. per 10 sq. mts.)	Thickness of sheet glass	Selling price (Rs. per 10 sq. mts.)
Cut sizes	2 mm. (16/18 oz.)	3 mm. (24 oz.)	4 mm. (32 oz.)	2 mm. 3 mm. 4 mm. 4.8 mm. 5.5 mm.
To 100 u/cm (40 u/l)	37.25	50.25	78.25	58.00
To 150 " (60 ")	39.00	55.25	86.00	83.00
To 200 " (80 ")	44.75	65.25	101.75	107.00
To 250 " (100 ")	52.25	75.50	117.50	119.00
To 300 " (120 ")	57.75	88.00	133.00	

## Manufacturing sizes

Lengths 152/163 Cms.  
width 60/95 Cms.Lengths 152/163 Cms.  
Width 100 Cms. & above

(B) Thick sheet Glass (ordinary quality)	(Rs. per sq. mt.)
Cat sizes	4.8 mm. (3/16")
To 0.18 sq. mt,	7 sq. ft.)
" 0.27 "	3 "
" 0.45 "	5 "
" 0.66 "	7 "
" 0.93 "	10 "
" 1.41 "	15 "
" 2.31 "	28 "

The manufacturers were required to fix their prices within the average prices stated above with the approval of the Government. The prices were to be in force till March 31, 1964 and were exclusive of excise duty and State/local levies.

(Rs. per sq. mt.)

Cat sizes	4.8 mm. (3/16")	5.5 mm. (7/32")
To 0.18 sq. mt,	9.68	11.18
" 0.27 "	13.05	14.53
" 0.45 "	15.98	17.88
" 0.66 "	16.91	19.00
" 0.93 "	18.38	21.23
" 1.41 "	19.35	22.35
" 2.31 "	21.28	24.58

2. The retail prices of these varieties should not exceed by more than 20 per cent the corresponding fair ex-works selling prices.

Accepted.

**APPENDIX VI: INDIA'S TRADE AGREEMENTS, 1962-63**

Country	Date of Agreement	Duration	Commodity Details	Other Particulars
<b>(A) Agreements concluded by the Government of India</b>				
Afghanistan	September 12, 1962	Valid from October 1, 1962, upto November 30, 1963	<i>Exports:</i> Cotton and woolen textiles, artisilk fabrics, jute manufactures, tea, coffee, spices, fish and fish preparations, vanaspatti, vegetable oils, chemicals and pharmaceuticals, light engineering goods, electrical equipment, leather manufactures, etc.  <i>Imports:</i> Fruits—dry and fresh, aaloochida, cumin seeds, hides and skins, medicinal herbs, etc.	<i>Within the framework of the principal Trade and Payments Agreement of March 3, 1960, the revised schedules of exports and imports for the year 1963 were agreed upon between the two countries.</i>
Bulgaria	November 24, 1962	Valid upto December 31, 1963	<i>Exports:</i> Tea, coffee, spices, de-oiled cakes, raw silk, cables, machine tools, automatic looms for cotton textiles, chemicals, artisilk yarn including synthetic yarn, newsprint, photographic film, electric meters, etc.  <i>Imports:</i> Rice, teak, hardwood, hides and skins, pig lead and other ores, seed potatoes.	<i>Within the framework of the principal Trade and Payments Agreement of March 3, 1960, the revised schedules of exports and imports for the year 1963 were agreed upon between the two countries.</i>
Burma	December 24, 1962	Valid upto December 23, 1965	<i>Exports:</i> Cotton, yarn and textiles, synthetic fibre, woollen fabrics, jute and jute manufactures, coal manufactures, fish and fish preparations, tea, coffee, spices, indi leaves, coal, engineering goods, vanaspatti, hardware, etc	

## REPORT ON CURRENCY AND FINANCE, 1962-63

Country	Date of Agreement	Duration	Commodity Details	Other Particulars
Ceylon	December 23, 1962	Remains in force until modified or terminated		The Agreement of October 28, 1961, was modified envisaging larger exports of building and construction material, telephone and railway equipment to Ceylon, in order to facilitate the importation of the capital equipment. India would arrange to supply these goods on payment's terms extending upto a period of seven years for a total value of R4.5 crores. A special arrangement has been agreed upon for the prompt payment, in respect of exports of dried fish to Ceylon, and imports.
Democratic People's Republic of Korea (North Korea)	July 3, 1962	Valid upto December 31, 1963		The Agreement provides for the extension of the validity of the Trade and Payments Agreement of June 2, 1958 for a period of eighteen months and maintains unchanged the schedules of exports and imports.
Democratic Republic of Vietnam (North Vietnam)	September 22, 1962	Valid from September 22, 1962 to September 21, 1963		The Agreement provides for the extension of the validity of the Trade Agreement of September 22, 1956 for a period of three years from September 22, 1962, and maintains unchanged the schedules of exports and imports.
France	June 6, 1962	Valid upto June 5, 1963		The Agreement envisages the extension of the validity of the Trade Agreement of October 19, 1959 for a period of one year.
German Democratic Republic (East Germany)	October 21, 1962	Valid upto December 31, 1963		The Agreement provides for the extension of the validity of the Trade and Payments Agreement of December 18, 1959 for a period of one year.
Greece	March 23, 1963	Valid upto December 31, 1963		The Agreement provides for the extension of the validity of the Trade Agreement of February 14, 1954.

Country	Date of Agreement	Duration	Commodity Details	Other Particulars
Hungary	November 5, 1962	Valid upto December 31, 1963		The validity of the Trade and Payments Agreement of June 25, 1960 extended for a period of one year. The schedules of exports and imports are unchanged.
Iran	August 16, 1962	Valid upto August 15, 1963	<i>Imports:</i> Dry fruits, dates, raisins, fresh fruits, quince seeds, cumin seeds, medicinal herbs, saffron, carpets and rugs, sulphur, etc. <i>Exports:</i> Cotton textiles, wool-jeo piece-goods, rayon and art-silk fabrics, juice manufacturers, tea, coffee, spices, sugar, tobacco, vanaspati, chemicals and pharmaceuticals, cosmetics, light engineering goods, electrical goods, cement, leather manufactures, handicrafts, etc.	
Italy	October 16, 1962	Validity extended for a period of two years from June 30, 1961		The Agreement provides for the extension of the validity period of the Trade Agreement of October 6, 1959.
Jordan	May 11, 1962	Valid upto May 10, 1963	<i>Imports:</i> Rock phosphate, potash and bromine, gypsum, goat skins, wool, olive oil, etc. <i>Exports:</i> Textiles (cotton, woolen, silk and rayon), juice manufacturers, tea, coffee, spices, cashew kernels, tobacco, vanaspati, chemical and pharmaceutical products, light engineering goods, electrical appliances, leather manufacturers, etc.	This Agreement supersedes the provisions of the earlier Trade Agreement dated July 3, 1961.
Morocco	August 3, 1962	Valid upto August 2, 1963	<i>Imports:</i> Rock phosphate, lead, groundnut oil, coconut fibre, cotton, paper and cardboard, rice, cotton, handicrafts, etc. <i>Exports:</i> Cotton, textiles, tea, yarn and manufactures, electrical equipment, sewing machines, handicrafts, etc.	

Country	Date of Agreement	Duration	Commodity Details	Other Particulars
Poland	November 20, 1962	Valid upto December 31, 1963	The validity of the Trade and Payments Agreement provides for the continuation of all payments of commercial and non-commercial nature in non-convertible Indian rupees. The schedules of exports and imports for each calendar year may be revised, modified or extended to include certain new articles after mutual consultation.	This long-term Trade and Payments Agreement provides for the continuation of all payments of commercial and non-commercial nature in non-convertible Indian rupees. The schedules of exports and imports for each calendar year may be revised, modified or extended to include certain new articles after mutual consultation.
Romania	November 10, 1962	Valid from January 1, 1963 upto December 31, 1967.	<b>Imports:</b> Equipment for oil refining, machinery for mineral mining, oil drilling machinery, cement plants, power plants including generators, turbines etc., plants for chemical and petro-chemical industries, railway rolling stock, river and sea vessels, electrical equipment, newsprint, power cables, etc.  <b>Exports:</b> Tea, coffee, spices, vegetable oils, cashew kernels, groundnuts, glycerine, chemicals, shellac, raw wool, jute manufactures, coir manufactures, hides and skins, leather, iron ore, manganese ore, pig iron, nica, electrical appliances, handcrafts, sports goods, film exposed, footwear, etc.	<b>Imports:</b> Equipment for oil refining, machinery for mineral mining, oil drilling machinery, cement plants, power plants including generators, turbines etc., plants for chemical and petro-chemical industries, railway rolling stock, river and sea vessels, electrical equipment, newsprint, power cables, etc.  <b>Exports:</b> Tea, coffee, tobacco, spices, cashew kernels, oil-cakes, alkalies, hides and skins, cotton raw, wool, coir fibre and yarn, nica, iron ore, manganese ore, ferro-manganese, vegetable oils, cotton and jute textiles, silk and woollen fabrics, handcrafts, engineering goods, etc.
United Arab Republic	January 14, 1963	Valid upto February 28, 1966	Valid from January 1, 1963 upto December 31, 1967.	<b>Imports:</b> Petroleum products, caustic soda and soda ash, chemicals for textiles and leather industry, basic materials for dyes, Pharmaceuticals, raw asbestos, tool and alloy steel, non-ferrous metals, hydro and thermal power plants, textile machinery, cables, machine tools, cranes, etc.
Yugoslavia	October 13, 1962			<b>Exports:</b> Tea, coffee, tobacco, spices, cashew kernels, oil-cakes, alkalies, hides and skins, cotton raw, wool, coir fibre and yarn, nica, iron ore, manganese ore, ferro-manganese, vegetable oils, cotton and jute textiles, silk and woollen fabrics, handcrafts, engineering goods, etc.

Country	Date of Agreement	Duration	Commodity Details	Other Particulars
<b>(B) Agreements concluded by the State Trading Corporation of India Ltd.</b>				
Jordan (Jordan Phosphate Mines Co.)	May 11, 1962	Valid for a period of one year	<i>Imports:</i> Rock Phosphate <i>Exports:</i> Tea, coffee, sugar, spices, pharmaceuticals, drugs and medicines, cotton and woollen textiles, paints and varnishes, engineering goods and various consumer goods.	The agreement was given retrospective effect from January 1, 1962.
Sweden (A.B. Sulphat, Stockholm)	March 7, 1963	Valid for a period of one year	<i>Imports:</i> Machinery for Chambal Project, machinery including drilling equipment, ball bearings, special steel.  <i>Exports:</i> Tea, coffee, tobacco unmanufactured, cotton, rayon and woollen textiles, handloom cloth, jute manu- factures, carpets and floorings, mica, de-oiled cakes, tanned and semi-tanned skins, leather and leather manufactures, linoleum, manganese ore, chrome concen- trates.	
Switzerland (Andre & Cie, SA, Lausanne)	April 16, 1962	Valid for a period of one year	<i>Imports</i> (fruity), dyes-intermediates, pharmaceutical medicines.	 <i>Exports:</i> Tea, tinned foods (including frozen food, marinelloid, walnuts, etc.) essential oils, handloom fabrics, coir mats and matting, woolen textiles, senna leaves, sports goods, light engineering goods, leather and leather manufactures, jute goods for the use of Swiss Government only.

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## NOTES ON THE STATEMENTS

The annual series in the Statements cover the financial years which run from April to March; thus, 1962-63 refers to the year from April 1, 1962 to March 31, 1963. Annual figures are presented on the financial year basis as far as possible in all the statements. In four statements, namely, industrial production, employment exchanges, consents for capital issues and capital raised by non-Government and Government companies, calendar year figures are presented as the statistics are assembled at the source on a calendar year basis. Statistics of agricultural production are on the basis of the crop year, which is usually July-June. Statistics relating to balance of payments relate to the period April-December 1962 only owing to the time lag in the availability of data.

The currency unit of the Indian Union is the Rupee. With effect from April 1, 1957 India adopted the decimal coinage, the Rupee being divided into 100 equal parts, called "naya Paisa". The abbreviations for 'Rupees' and 'naye Paisa' are 'Rs.' and 'nP.', respectively. A rupee is equivalent to 21 U.S. cents or 1 sh. 6 d. sterling.

From November 1, 1956 (on which date the States Reorganization Act, 1956 became effective) to April 30, 1960 the Indian Union consisted of fourteen States. Of these, one State namely, the Bombay State was bifurcated on May 1, 1960 into (i) Maharashtra and (ii) Gujarat, thus bringing the total number of States to fifteen. The Federal Government is the Government of India, also called the Central or Union Government.

From October 1, 1960 India adopted the metric system of units and measures. Data presented in the statements relate to metric units. Data relating to earlier periods have been expressed in metric units to facilitate comparison with the latest figures. The conversion factors used for compilation are given below:

1 fine ounce	= 0.0311035 kilogram	1 ton	= 1.01605 metric tons or 10 1605 quintals
1 tola	= 0.0116638 kilogram	1 yard	= 0.9144 metre
1 pound	= 0.4535924 kilogram	1 sq. ft.	= 0.0929 sq. metre
1 maund	= 37.3242 kilograms	1 acre	= 0.404686 hectare

A crore = 10 million (Rs. 1 crore is equal to U. S. \$ 2.1 million or £ 750,000 sterling). A lakh = one tenth of one million.

Where necessary, each figure has been rounded off to the nearest final digit. For this reason, there may be in some statements an apparent slight discrepancy between the sum of the constituent items and the total as shown.

The following symbols have been used: .. = Figure is not available.  
— = Figure is nil or negligible.

A line drawn between the figures of two consecutive rows/columns indicates that the figures given after the line are not comparable with the preceding figures. In each case, a footnote is added to explain the non-comparability.

## REPORT ON CURRENCY AND FINANCE, 1952-53

## STATEMENT I—SELECTED ECONOMIC INDICATORS

Item	Unit/Illate	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1962			1963		
												Jan.	Feb.	March	Jan.	Feb.	March
<b>I. Production and Prices</b>																	
1. Industrial Production																	
(i) Seasonally adjusted	1935-36=100	131.4	149.0	131.0	130.9	148.7	154.1	148.4	148.6	162.2	136.7						
(ii) Unadjusted	"	133.1	147.0	149.3	147.0	147.0	151.9	150.3	149.2	147.1	138.8	163.0					
2. Wholesale Prices																	
(i) All commodity prices	1935-36=100	123.3	124.2	126.3	127.5	129.6	131.1	120.5	129.9	130.1	123.8	126.9	126.6	127.1	123.4		
(ii) Food articles	"	119.1	120.3	124.2	125.5	128.6	131.5	130.0	129.0	129.6	123.4	124.2					
3. Consumer Prices (All India)	1935-36=100	127	128	129	130	132	133	133	134	133	131	130	129	130			
4. Security Prices																	
(i) Government and semi-government securities 1935-36=100	100.7	100.6	100.6	100.7	100.5	100.5	100.3	100.4	100.3	99.9	99.6	99.3	99.2	99.2			
(ii) Variable dividend industrial securities	"	192.2	192.6	193.3	189.9	184.0	187.0	184.0	178.9	178.9	170.5	171.4	171.1	166.6	164.4		
5. Gold and Silver (Average Quotations)	Rs. per 10 grams	121.68	120.60	123.90	125.68	126.08	126.29	124.94	118.81	103.40	106.07	105.16	102.00	100.50			
(i) Gold	"	220.30	220.78	215.40	213.82	215.26	219.63	221.45	208.03	204.36	220.09	231.70	239.34				
(ii) Silver	"	217.19															
6. Labour Statistics																	
7. Money supply with the public	Crores of Rs.	3,410.3	3,403.6	3,494.6	3,049.3	3,026.1	3,010.9	3,001.2	3,043.1	3,061.1	3,118.7	3,173.2	3,211.8	3,313.1			
(i) Currency with the public	"	2,201.8	2,253.1	2,246.0	2,205.2	2,171.9	2,144.3	2,143.3	2,184.6	2,204.1	2,247.5	2,299.2	2,331.1	2,370.3			
(ii) Deposit Money with the public	"	847.7	850.5	840.5	844.1	856.2	867.6	858.8	858.5	860.0	871.2	874.1	880.8	936.8			
8. Reserve Bank of India																	
(i) Central Government	"	71.3	53.6	49.0	53.4	54.6	92.1	61.8	51.0	51.9	53.3	61.7	64.0	55.8			
(ii) State Government and municipalities	"	13.3	13.3	13.9	23.3	25.6	34.9	13.8	9.9	10.2	6.1	20.0	9.0	31.4			

(iii) Investments	"	1,910.6	1,992.7	2,014.7	2,076.6	2,043.4	1,962.2	1,883.7	1,884.4	1,969.4	2,002.3	2,097.8	2,105.9	2,128.3
(iv) Other loans and advances	"	177.7	127.8	121.7	134.9	128.1	156.1	146.6	153.6	152.0	171.6	171.1	181.9	207.3
9. Foreign exchange reserves	"	297.3	274.2	250.4	241.2	243.4	240.4	245.8	245.9	239.7	243.6	254.3	278.5	295.1
10. A. Scheduled banks														
(i) Aggregate deposits	"	1,916.8	1,962.9	1,983.0	2,014.0	2,038.6	2,040.6	2,035.9	2,046.9	2,038.5	2,037.2	2,051.2	2,048.5	2,042.3
(ii) Bank credit (b)	"	1,407.6	1,477.9	1,428.0	1,417.3	1,386.3	1,397.7	1,379.2	1,385.8	1,372.5	1,422.4	1,475.1	1,525.7	1,587.8
(iii) Investments in Government securities	"	601.4	600.6	583.8	607.7	655.5	695.7	690.4	712.5	700.2	652.5	649.9	616.6	593.3
(iv) Cash reserves	"	123.5	131.2	138.7	150.8	146.8	123.2	124.5	124.3	116.4	132.7	121.8	122.7	125.6
B. Cheque clearances	"	1,331.7	1,159.9	1,211.3	1,147.1	1,243.9	1,241.1	1,176.2	1,196.0	1,285.3	1,219.4	1,337.9	1,264.8	1,506.4
11. Inter-bank call money rate (Bombay) (c)	Per cent per annum	5.05	4.19	3.70	2.88	1.80	2.20	4.15	3.14	3.11	5.00	4.86	5.84	6.22
12. Yield on 3 per cent conversion loan of 1985 or later (d)	"	4.23	4.23	4.23	4.23	4.31	4.35	4.37	4.47	4.73	4.76	4.76	4.76	4.74
IV. Government Debt														
13. Rupee debt of the Government of India														
(i) Rupee loans (e)	Crores of Rs.	2,688.5	2,688.5	2,689.0	2,689.6	2,784.9	2,785.6	2,786.4	2,786.4	2,770.4	2,827.5	2,830.3	2,835.5	2,840.9 (f)
(ii) Treasury bills outstanding	"	1,175.0	1,161.0	1,189.8	1,234.4	1,264.9	1,241.8	1,204.1	1,193.3	1,244.0	1,169.5	1,248.9	1,236.5	1,299.6
V. Trade														
14. Imports (value)	Crores of Rs.	98.3	83.9	76.3	82.3	75.6	79.8	97.2	67.7	92.2	88.3	87.4	75.9	74.6
15. Exports (value)	"	59.9	51.4	51.4	50.4	57.4	63.3	61.6	59.2	65.3	64.4	61.6	56.1	67.0
16. Net balance of trade	"	-38.4	-32.4	-26.7	-32.0	-18.2	-16.5	-35.6	-8.5	-26.9	-25.9	-25.8	-19.8	-7.6
17. Import Prices	1958-1960	93	93	95	92	93	97	93	96	98	86			
18. Export Prices	"	110	109	105	104	106	105	105	102	106				
19. Terms of trade (g)	"	118	117	115	114	112	109	113	109	104	123			
20. Import Volume Index	"	145	110	123	113	112	113	144	97	129	141			
21. Export Volume Index loaded	"	110	93	98	99	114	123	121	117	132	126			
22. Number of wagons loaded														
(i) Broad gauge	000's	592.	555	547	529	562	570	551	569	591	637	651	605	665
(ii) Metre gauge	"	334	315	305	280	280	278	267	263	277	321	344	317	331

Note: Figures for all the items relate to the month except those of items 6(i), 9 and 13 which relate to end of period and those of items 7, 8 and 10A which relate to last Friday.

(a) Revised series. (b) Excluding due from banks. (c) Data relate to local head offices of the banks and are exclusive of brokerage.

(d) Runnning yield. (e) Includes the Hyderabad loans taken over by the Government of India under the States Reorganization Act, 1956 and 5-year interest free prize bonds issued from April 1960. (f) Ratio of Export Price Index to Import Price Index.

## STATEMENT 2—NATIONAL INCOME BY INDUSTRIAL ORIGIN

(In Rs. abja) (a)

1950-51 1955-56 1956-57 1957-58 1958-59 1959-60 1960-61 1961-62(b)

## A. AT CURRENT PRICES

*Agriculture*

1. Agriculture, animal husbandry and ancillary activities .. ..	47.8	43.9	53.8	51.3	60.8	60.9	66.9	66.6
2. Forestry .. ..	0.7	0.7	0.8	0.8	0.9	1.0	1.1	1.2
3. Fishery .. ..	0.4	0.6	0.6	0.7	0.7	0.6	1.0	0.7
4. Total of agriculture .. ..	48.9	45.2	55.2	52.8	62.4	62.5	69.0	68.5

*Mining, manufacturing and small enterprises*

5. Mining .. ..	0.7	1.0	1.2	1.4	1.4	1.4	1.6	1.7
6. Factory establishments .. ..	5.5	7.8	9.0	9.8	10.0	11.1	13.2	14.6
7. Small enterprises .. ..	9.1	9.7	9.8	10.0	10.3	10.7	11.2	11.7
8. Total of mining, manufacturing and small enterprises .. ..	15.3	18.5	20.0	21.2	21.7	23.2	26.0	28.0

*Commerce, transport and communications*

9. Communication (post, telegraph and telephone) .. ..	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.7
10. Railways .. ..	1.8	2.5	2.8	3.2	3.3	3.3	3.6	3.8
11. Organised banking and insurance .. ..	0.7	0.9	1.1	1.2	1.3	1.4	1.6	1.8
12. Other commerce and transport .. ..	14.0	14.9	15.2	15.8	16.3	17.0	17.6	18.4
13. Total of commerce, transport and communications .. ..	16.9	18.8	19.6	20.7	21.5	22.3	23.4	24.7

*Other services*

14. Professions and liberal arts .. ..	4.7	5.6	5.8	6.2	6.6	6.9	7.4	7.9
15. Government services (administration) .. ..	4.3	5.7	6.1	6.6	7.3	7.9	9.1	10.2
16. Domestic service .. ..	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.1
17. House property .. ..	4.1	4.6	4.8	4.9	5.0	5.2	5.3	5.5
18. Total of other services .. ..	14.4	17.3	18.2	19.3	20.6	21.8	23.7	25.7
19. Net domestic product at factor cost .. ..	95.5	99.8	113.0	114.0	126.2	129.8	142.1	146.9
20. Net earned income from abroad .. ..	-0.2	0.0	0.1	-0.1	-0.2	-0.3	-0.5	-0.6
21. Net national output at factor cost = National Income .. ..	95.3	99.8	113.1	113.9	126.0	129.5	141.6	146.3

## B. AT 1948-49 PRICES

1. Agriculture, animal husbandry and ancillary activities (c) .. ..	43.4	50.2	52.5	50.1	55.6	55.1	59.1	58.6
2. Mining, manufacturing and small enterprises .. ..	14.8	17.6	18.4	18.6	18.8	19.7	21.1	22.0
3. Commerce, transport and communications .. ..	16.6	19.7	20.8	21.1	21.9	22.7	24.6	25.3
4. Other services (d) .. ..	13.9	17.3	18.2	19.2	20.4	21.4	23.2	24.9
5. Net domestic product at factor cost .. ..	88.7	104.8	109.9	109.0	116.7	118.9	128.0	130.8
6. Net earned income from abroad .. ..	-0.2	0.0	0.1	-0.1	-0.2	-0.3	-0.5	-0.6
7. Net national output at factor cost = National Income .. ..	88.5	104.8	110.0	108.9	116.5	118.6	127.5	130.2

(a) Abja=100 crores=10<sup>8</sup>. (b) Preliminary. (c) Including forestry and fishery. (d) Comprising professions and liberal arts, Government services (administration), domestic service and house property.

Source : Estimates of National Income issued by the Central Statistical Organisation, Government of India.

## STATEMENT 3—INDEX NUMBERS OF AGRICULTURAL PRODUCTION

(Agricultural year ended June 1950=100)

Commodity/Group	Weight	1950-51	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62
Rice	.. ..	35.3	87.9	114.2	120.4	105.7	128.4	125.3	136.2
Wheat	.. ..	8.5	101.1	131.3	140.7	118.5	147.4	151.7	162.7
Jowar	.. ..	5.0	89.8	96.7	105.3	124.1	129.8	116.9	134.6
Bajra	.. ..	2.7	83.8	108.3	90.1	113.5	121.3	112.1	101.2
Maize	.. ..	2.1	84.4	112.3	132.8	135.9	135.5	146.5	146.2
Total Cereals ..	.. ..	58.3	90.3	114.9	120.5	110.1	130.3	127.8	136.6
Gram	.. ..	3.7	98.0	138.9	159.8	125.8	180.3	143.5	162.3
Total Pulses ..	.. ..	8.6	91.7	118.4	122.9	103.0	136.0	120.0	125.6
Total Foodgrains ..	.. ..	66.9	90.5	115.3	120.8	109.2	131.0	126.8	135.6
Groundnut ..	.. ..	5.7	101.4	112.4	127.2	137.5	149.0	122.5	136.5
Total Oilseeds ..	.. ..	9.9	98.5	103.6	120.3	119.0	136.8	118.3	136.2
Cotton ..	.. ..	2.8	110.7	153.9	181.2	178.8	175.8	138.5	203.3
Jute ..	.. ..	1.4	106.3	135.8	138.7	128.8	158.7	140.7	121.7
Mesta ..	.. ..	0.3	100.0	174.7	221.5	196.2	255.9	168.5	170.5
Total Fibres ..	.. ..	4.5	108.6	149.7	170.7	164.4	175.8	141.2	175.7
Tea ..	.. ..	3.3	103.8	107.2	117.2	115.7	119.4	119.6(a)	116.7(a)
Coffee ..	.. ..	0.2	112.3	196.1	204.1	229.8	240.8	239.6	355.1(a)
Rubber ..	.. ..	0.1	93.8	146.1	152.9	140.1	160.2	154.6	165.2(a)
Total Plantation Crops ..	3.6	104.0	113.2	123.0	122.7	127.3	128.4	131.3	138.7
Sugarcane ..	.. ..	8.7	113.7	119.8	137.2	138.1	141.5	150.3	173.9
Tobacco ..	.. ..	1.9	97.3	112.9	113.7	89.4	118.2	106.5	116.4
Total Miscellaneous ..	15.1	110.3	120.1	129.2	127.5	133.1	139.1	155.8	150.4
Total Non-Foodgrains ..	33.1	105.9	119.9	131.5	129.5	139.4	132.0	148.5	149.4
All Commodities ..	100.0	95.6	116.8	124.3	115.9	133.8	128.5	139.9	139.9

Note : The indices for 1959-60 and 1960-61 are generally based on partially revised estimates while those for 1961-62 are generally based on final estimates. The indices for these years are, therefore, subject to revision.

(a) Based on provisional estimates.

Source : Ministry of Food and Agriculture.

## STATEMENT 4—AREA AND PRODUCTION

Commodity	1950-51(a)		1955-56		1956-57	
	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)
<b>FOODGRAINS</b>						
<b>Cereals</b>						
1. Rice .. .. .. ..	30,519	23,542	31,522	27,557	32,278	29,037
2. Wheat .. .. .. ..	9,759	6,391	12,367	8,760	13,525	9,402
3. Jowar .. .. .. ..	15,514	5,870	17,363	6,725	16,238	7,326
4. Bajra .. .. .. ..	9,260	2,835	11,339	3,428	11,251	2,873
5. Maize .. .. .. ..	3,262	2,045	3,696	2,602	3,758	3,075
6. Ragi .. .. .. ..	2,206	1,544	2,307	1,546	2,279	1,793
7. Barley .. .. .. ..	3,181	2,251	3,418	2,615	3,518	2,653
8. Small millets .. .. .. ..	5,416	2,278	5,333	2,070	4,976	1,931
Total Cereals .. .. ..	79,117	46,757	87,345	55,803	87,523	58,303
<b>Pulses</b>						
9. Gram .. .. .. ..	8,295	3,726	9,780	5,418	9,574	6,231
10. Other pulses .. .. .. ..	11,872	4,433	13,437	5,627	13,643	5,319
Total Pulses .. .. ..	20,167	8,159	23,217	11,045	23,317	11,550
Total Foodgrains (Cereals and Pulses) .. .. ..	99,284	54,916	110,562	66,848	111,140	69,253
<b>NON-FOODGRAINS</b>						
11. Sugar (Raw) .. .. ..	1,707	5,705	1,847	6,075	2,050	6,957
12. Oilseeds .. .. ..	10,727	5,158	12,036	5,734	12,494	6,363
(i) Groundnut (Nuts in shell) ..	4,494	3,481	5,134	3,862	5,532	4,369
(ii) Rape and mustard ..	2,071	762	2,556	860	2,539	1,042
(iii) Sesamum .. .. ..	2,204	445	2,293	467	2,172	438
(iv) Linseed .. .. ..	3,403	367	1,529	420	1,682	350
(v) Castorseed .. .. ..	555	103	574	125	569	124
13. Cotton (Lint) (b) .. .. ..	5,853	2,574	8,056	3,949	8,019	4,649
14. Jute (b) .. .. ..	571	3,309	704	4,231	772	4,323
15. Mesta (b) .. .. ..	..	..	231	1,162	297	1,452
16. Silk (Raw) (c) (d) .. .. ..	..	1,211	..	1,421	..	1,373
17. Tea (d) .. .. ..	317	279	321	328	323	309
18. Coffee (d) .. .. ..	93	19	103	35	105	43
19. Rubber .. .. ..	69	16	84	23	95	24
20. Tobacco .. .. ..	357	261	410	303	419	325
21. Lac (d) (e) .. .. ..	..	400	..	466	..	491

Note : (1) Figures relate to the agricultural year ending June. Items 16, 17 and 19 refer to the Calendar year. I.e. figures for 1950-51 relate to 1950 and so on. However, area figures for Item 17 refer to the financial year. Item 21 refers to the financial year. (2) Figures for 1953-60 and 1960-61 are partially revised estimates while those for 1951-62 are final estimates. The available partially revised estimates for 1961-62 are shown in brackets. These figures are subject to revisions.

## OF AGRICULTURAL COMMODITIES

(000's omitted)

1957-58		1958-59		1959-60		1960-61		1961-62	
Area (Hectares)	Production (Metric tons)								
32,298	25,525	33,172	31,031	33,519	31,460	33,567	34,198	33,860	34,149
11,729	7,997	12,617	9,958	13,169	10,251	12,969	10,992	13,452	11,807
17,312	8,634	17,960	9,033	17,061	8,133	17,273	9,363	17,431	7,787
11,168	3,620	11,428	3,868	10,825	3,576	11,424	3,228	10,937	3,558
4,079	3,150	4,265	3,463	4,333	4,070	4,360	4,015	4,468	4,064
2,416	1,796	2,540	1,950	2,414	1,935	2,322	1,681	2,311	1,777
3,069	2,292	3,312	2,694	3,377	2,717	3,223	2,866	3,341	3,116
4,870	1,733	5,159	2,179	5,026	2,062	4,897	1,975	4,740	1,907
86,941	54,747	90,453	64,176	89,724	64,204	90,035	68,318	90,540	68,165
9,091	4,890	10,080	7,023	10,268	5,590	9,407	6,324	9,744	5,948
13,448	4,672	14,230	6,126	14,070	6,129	13,798	6,328	14,034	5,713
22,539	9,562	24,310	13,149	24,338	11,719	23,205	12,652	23,778	11,661
109,480	64,309	114,763	77,325	114,062	75,923	113,240	80,970	114,318	79,826
2,073	7,151	1,948	7,336	2,112	2,794	2,343	10,615	2,405	9,888
12,655	6,350	13,001	7,304	13,521	5,980	13,511	6,623	13,890	6,935
6,420	4,710	6,251	5,178	6,015	4,005	6,257	4,461	6,413 (6,422)	4,757 (4,685)
2,411	933	2,447	1,042	2,894	1,064	2,871	1,356	3,075	1,306
2,094	359	2,250	514	2,195	365	2,169	321	2,250	372
1,283	259	1,595	458	1,944	438	1,794	395	1,704	397
447	89	458	112	473	108	420	90	448 (443)	103 (101)
8,014	4,686	7,964	4,608	7,610	3,633	7,637	5,324	7,572	4,445
705	4,014	733	5,199	682	4,641	612	4,014	914 (923)	6,319 (6,398)
310	1,312	367	1,712	285	1,127	279	1,140	385 (389)	2,719 (2,706)
..	1,470	..	1,528	..	1,515	..	..	..	..
325	311	326	325	331	326	331	321	338	354
109	44	110	47	119	50	..	68	..	46
106	24	116	25	123	24	130	25	141	27
359	240	379	317	370	286	400	312	415	344
..	426	..	378	..	433	..	451	..	386

(a) Data regarding foodgrains relate to 1949-50 which was the base year in respect of foodgrains for the First Five Year Plan. (b) Production in thousand bales of 180 Kilograms each. (c) Production in thousand Kilograms. (d) Revised. (e) Production in Quintals.

Sources : Ministry of Food and Agriculture, the Rubber, Tea, Coffee and Silk Boards and the Indian Jaccass Committee.

## STATEMENT 5-A. INDUSTRIAL PRODUCTION

Industry	Unit	1955	1956	1957	1958	1959	1960	1961	1962†	Target for the Third Five Year Plan (1965-66)
1. Coal ..	000 Metric tons	3,88,21	4,00,65	4,41,95	4,60,64	4,78,19	5,26,20	5,61,00	6,15,52	9,86,00
2. Iron ore ..	"	43,28	43,16	46,94	58,04	79,86	1,06,80	1,21,32	1,31,86	3,05,00
3. Sugar (a) ..	00,000 Kgs.	16,20	18,86	20,40	20,40	19,50	24,73	29,83	27,06	35,56
4. Tea ..	00,000 Quintals	30,32	30,26	30,54	32,39	32,39	31,63	34,78	34,35	40,92
5. Salt ..	00,000 Quintals	3,03	3,32	3,68	4,20	3,18	3,44	3,46	3,86	5,50
6. Vegetable oil products (Vanaspati) ..	000 Quintals	26,50	25,97	30,62	29,99	32,19	33,77	33,91	36,95	50,90
7. Cigarettes ..	00,00,000's	22,83	26,30	28,89	29,84	32,17	36,97	39,47	40,95	..
8. Cotton textiles ..										
(i) Yarn ..	00,000 Kgs.	73,95	75,80	80,74	76,45	78,15	78,79	86,23	85,96	1,02,05
(ii) Cloth* ..	00,000 Metres	4,65,84	4,85,23	4,86,22	4,50,52	4,50,38	4,61,62	4,69,44	4,56,03	5,30,35
9. Jute textiles (b) ..										
(i) Hessian (c) ..	000 Metric tons	4,03	4,22	4,21	4,13	4,66	4,30	3,56	4,80	13,00
(ii) Sacking ..	"	5,84	6,16	5,57	5,93	5,12	5,50	4,84	5,49	..
10. Footwear (Leather) ..	00,000 Pairs	55	65	74	76	82	92	1,06	1,18	14,00
11. Paper and paper boards ..	000 Metric tons	1,88	1,97	2,14	2,57	2,99	3,45	3,64	3,88	7,11
12. Footwear (Rubber) ..	00,000 Pairs	3,49	3,61	3,70	3,67	3,92	4,46	4,51	4,98	..
13. Tyres (d) ..	000's	8,82	9,38	9,90	10,06	11,39	13,62	15,62	17,10	45,00
14. Sulphuric acid ..	000 Metric tons	1,69	1,68	1,99	2,30	2,97	3,60	4,22	4,58	15,24
15. Caustic soda ..	"	35	40	43	58	70	98	1,20	1,26	3,46
16. Bleaching powder ..	Metric tons	2,743	4,731	5,426	6,608	5,184	5,928	7,128	6,833	..
17. Ammonium sulphate ..	000 Metric tons	3,99	3,95	3,86	3,90	3,85	3,90	3,95	4,18	8,13(1)
18. Paints and varnishes ..	"	40	42	43	49	55	52	59	64	142
19. Matches (e) ..	000 Cases	6,16	6,16	5,78	6,26	6,49	6,71	7,58	5,69	8,49
20. Soap (f) ..	000 Metric tons	1,01	1,12	1,13	1,25	1,32	1,43	1,49	1,50	2,25
21. Rayon (g) ..	"	14	18	21	31	39	45	52	62	647
22. Glass and glassware (h) ..	000 Sq. metres	36,12	44,24	50,38	68,62	74,84	75,42	67,80	87,45	..
23. Cement ..	000 Metric tons	45,59	50,08	56,92	61,66	69,36	78,44	82,45	85,87	1,32,00
24. Ceramics (i) ..	"	2,79	3,23	3,73	4,41	5,06	5,51	6,26	6,50	..
25. Iron and steel ..										
(i) Pig iron & ferro-alloys ..	"	19,25	19,90	19,43	21,34	31,09	41,93	49,98	58,29	..
(ii) Finished steel ..	"	12,60	13,60	13,63	13,20	17,64	22,08	28,45	37,94	69,09
26. Non-ferrous metals (j) ..										
(i) Aluminium ..	Metric tons	9,824	10,655	11,099	13,555	16,057	16,418	16,930	16,072	81,300
(ii) Copper ..	"	1,584	1,716	2,377	3,206	2,719	3,232	4,368	3,527	20,300*
(iii) Brass ..	"	13,253	13,802	18,069	20,727	21,300	26,988	24,516	23,729	..
27. Gold ..	Kilograms	6,577	6,509	5,574	5,291	5,142	4,992	4,872	5,079	..
28. Hurricane lanterns ..	000's	54,88	51,79	43,45	33,82	45,60	51,96	55,44	62,13	..
29. Enamel-ware ..	000 Pieces	1,57,16	1,52,12	1,41,16	1,62,17	1,45,13	1,41,49	2,34,82	2,88,28	..
30. Diesel engines ..	Nos.	14,100	15,396	19,980	30,024	39,045	52,752	54,300	50,283	66,000
31. Sewing machines ..	000's	1,01	1,30	1,67	2,05	2,53	2,97	3,07	3,44	7,00
32. Dry cells ..	00,000's	16,10	18,14	16,66	16,82	18,73	20,81	21,41	23,94	35,00
33. Storage batteries ..	000's	2,35	3,14	3,23	3,55	4,43	5,08	5,21	5,64	8,00
34. Electric lamps ..	"	2,42,34	3,07,28	3,31,49	3,04,76	3,48,41	4,13,95	4,68,90	5,85,42	6,82,00
35. Electric fans ..	"	2,62	3,38	5,24	6,36	7,26	10,13	10,74	11,34	25,00
36. Domestic refrigerators ..	Nos.	528	756	948	2,916	3,960	11,388	9,720	13,020	50,000
37. Automobiles ..	000's	23,088	32,136	31,932	26,796	36,468	52,116	54,312	57,813	1,00,000
38. Bicycles ..	"	4,91	6,64	7,91	9,13	9,91	10,50	10,41	11,16	20,00

(a) Figures relate to crop year (November to October) and are in respect of cane sugar only. (b) Relating to the production by mills in the membership of Indian Jute Mills' Association and to one non-member mill. (c) Includes canvas. (d) Relates to automobiles only. (e) Includes figures for Jammu and Kashmir. (f) Figures relate to production of organised factories. (g) Total of viscose yarn, staple fibre, acetate yarn and cellophane. (h) Production figures relate to sheet glass etc. (i) Relates to refractories only. (j) Production figures relate to sheets and circles only. (k) In terms of fixed average. (l) Relates to filament. (m) Relates to fire refined and electrolytic.

† Provisional.

\* Relates to Mill-Sector only.

## STATEMENT 5-B. INDEX NUMBERS OF INDUSTRIAL PRODUCTION

[Revised series: 1956=100]

Industry	Weight	1955	1957	1958	1959	1960	1961	1962(a)
I. Mining and Quarrying	7.47	97.8	109.6	116.0	122.7	137.1	147.2	161.2
1. Coal ..	7.09	96.9	110.3	115.0	119.3	131.3	140.0	153.6
II. Manufacturing	88.85	92.0	103.3	106.6	115.2	127.6	136.2	145.5
2. Sugar ..	4.52	82.7	105.9	100.2	106.6	130.4	143.4	126.3
3. Tea processing ..	7.42	99.2	100.8	106.9	107.1	101.5	114.9	113.5
4. Salt ..	0.64	91.2	111.0	126.6	96.1	103.6	101.4	116.3
5. Cigarettes ..	1.49	86.8	110.7	113.4	122.9	140.6	150.0	156.6
6. Cotton Textiles ..	32.10	95.2	100.8	100.1	101.2	102.9	109.0	109.6
(a) Spinning ..	8.91	95.8	101.2	100.9	105.5	111.5	119.6	122.0
(b) Weaving ..	23.19	93.0	99.5	96.3	99.4	99.7	104.9	103.9
(c) Mill sector ..	16.94	91.4	96.2	89.2	90.2	92.0	90.1	90.1
(d) Decentralised sector (Powerloom & handloom)	6.25	96.1	108.5	117.9	124.4	120.3	144.9	144.5
7. Woollen Textiles ..	1.10	83.2	103.5	116.7	103.3	100.8	107.2	138.3
8. Textiles from silk & Synthetic fibres ..	2.94	81.6	96.2	115.3	137.5	146.8	166.7	153.5
9. Jute Manufactures ..	5.62	93.5	94.7	97.3	98.3	99.3	89.7	109.8
10. Paper and paper boards ..	1.39	95.9	109.5	127.3	145.4	173.4	181.9	190.6
11. Rubber products ..	3.04	92.0	104.1	108.1	118.1	141.3	157.4	155.5
12. Chemical & Chemical products ..	3.58	96.3	100.5	112.5	128.3	149.1	173.0	184.0
(a) Basic industrial chemicals ..	0.97	91.4	104.0	123.3	152.4	193.2	245.9	278.1
(b) Heavy inorganic chemicals ..	0.61	89.2	112.7	131.0	155.2	207.7	279.1	318.8
(c) Fertilisers ..	0.60	98.7	103.1	115.6	128.7	147.1	167.7	185.2
(d) Paints, varnishes & lacquers ..	0.54	99.5	102.5	118.0	131.0	131.0	142.2	161.0
(e) Soap ..	0.72	89.8	101.2	112.0	117.9	127.5	133.0	134.2
(f) Matches ..	0.53	100.0	93.9	101.7	105.4	108.8	123.2	90.7
13. Petroleum products ..	3.79	77.9	112.9	121.9	132.9	148.0	159.4	169.0
14. Cement ..	1.24	91.0	113.6	123.1	138.5	156.7	161.7	171.5
15. Basic metal ..	9.25	96.6	99.5	106.7	138.5	180.6	181.3	221.9
(a) Iron and Steel basic industries ..	7.48	96.2	98.8	104.8	140.1	188.9	192.2	236.2
(b) Pig iron and direct castings ..	0.90	97.6	98.5	107.5	157.3	213.5	269.9	317.8
(c) Finished steel ..	2.53	94.2	100.6	97.1	129.8	162.4	209.3	276.7
(d) Aluminium manufacturing ..	0.61	101.1	96.5	128.1	185.5	177.7	193.7	268.4
16. Electrical cables & wires ..	0.72	75.7	116.7	113.8	117.6	182.3	180.4	206.8
17. Railway wagons ..	1.04	95.4	103.8	83.4	62.7	46.6	65.7	86.9
18. Automobiles ..	1.28	71.8	99.3	83.4	113.5	162.2	169.0	179.9
19. Electricity, Gas & Steam ..	3.68	88.1	112.8	127.4	131.4	171.0	198.8	221.3
General Index ..	100.00	92.3	104.1	108.1	116.9	129.8	139.3	149.5

(a) Provisional.

Source: *Monthly Statistics of the Production of Selected Industries of India* and Planning Commission, Government of India.

## STATEMENT 6-STOCKS OF PRINCIPAL

At or about the end of	RAW MATERIALS								MANUFAC		
	Cotton (a) (b)		Jute (c)	Coal		Iron ore	Sugar (d)	Salt	Vegetable oil products (Vanaspali)	Cigarettes	
	Indian	Foreign		Pit head	Industries						
	000 Bales	000 Bales	000 Bales	000 Metric tons	000 Metric tons	000 Metric tons	000 Metric tons	Lakh quintals	Metric tons	Lakhs	
	1	2	3	4	5	6	7	8	9	10	
1950-51	..	..	..	566	2,663	2,355	..	..	..	..	
1955-56	..	1,443	179	1,357	3,872	1,702	1,332	439	99	7,590	
1956-57	..	1,408	205	1,374	3,048	1,671	1,544	551	78	7,353	
1957-58	..	1,120	224	1,455	3,579	2,626	1,576	465	130	8,652	
1958-59	..	1,136	139	1,986	3,246	3,094	2,009	367	176	8,677	
1959-60	..	1,047	151	1,771	3,117	2,257	1,895	176	135	10,987	
1960-61	..	961	404	930	5,567	2,192	2,603	605	134	9,459	
1961-62	..	1,413	397	1,969	3,767	2,219	4,331	1,203	94	13,113	
January 1962	1,076	302	1,505	3,428	2,189	3,619	1,695	117	8,556	3,900	
February ..	1,084	300	1,763	3,735	2,223	4,007	2,020	108	11,358	4,320	
March ..	1,196	288	1,969	3,767	2,219	4,331	2,305	94	13,113	4,880	
April ..	1,300	262	2,002	3,731	2,357	4,369	2,392	146	9,736	7,850	
May ..	1,360	230	1,902	3,869	2,355	3,751	2,287	170	9,554	3,920	
June ..	1,371	228	1,726	3,840	2,421	3,635	2,084	216	7,705	3,300	
July ..	1,267	223	1,509	3,558	2,601	3,505	1,822	256	7,195	6,440	
August ..	1,217	242	1,283	3,299	2,477	2,663	1,545	242	8,444	8,020	
September ..	951	319	1,230	3,202	2,627	2,577	1,300	223	7,301	7,500	
October ..	746	342	1,470	2,954	2,924	2,523	1,020	201	6,833	5,910	
November ..	..	..	1,858	3,331	2,974	2,537	946	172	9,066	6,250	
December ..	..	..	2,245	3,483	2,899	..	..	..	8,767	..	
<hr/>											
At or about the end of	MANUFAC								MANUFAC		
	Matches (f)	Soap	Rayon (h)	Glass and glassware (Sheet glass only)	Cement (Pro- ducers)	Ceramics (Refrac- tories)	Pig iron (Pro- ducers)	Finished steel (Pro- ducers)	Alumi- num (Sheets and circles only)	Copper (Sheets and circles only)	
	000 Cases (g)	Metric tons	Metric tons	000 Sq. metres	000 Metric tons	000 Metric tons	000 Metric tons	000 Metric tons	Metric tons	Metric tons	
	24	25	26	27	28	29	30	31	32	33	
1950-51	..	..	..	..	68	..	48	125	..	..	
1955-56	..	5	3,373	655	598	98	57	51	109	183	
1956-57	..	6	7,539	2,284	279	114	46	44	115	829	
1957-58	..	9	6,645	3,135	593	108	67	63	104	860	
1958-59	..	7	7,001	1,384	533	125	77	101	82	724	
1959-60	..	6	5,609	1,753	658	158	89	116	94	1,067	
1960-61	..	5	5,600	2,442	807	129	102	62	134	1,200	
1961-62	..	3	4,650	2,627	297	167	95	29	183	827	
January 1962	4	5,700	3,018	305	177	118	54	205	879	643	
February ..	3	5,150	2,841	368	167	129	40	213	886	595	
March ..	3	4,650	2,627	297	167	95	29	183	827	695	
April ..	3	4,500	4,010	361	167	107	39	178	848	525	
May ..	3	4,450	4,234	429	174	112	42	193	636	485	
June ..	4	4,520	3,575	371	153	114	45	186	461	417	
July ..	2	4,250	3,842	461	159	114	52	203	333	442	
August ..	2	4,190	4,113	575	153	105	70	181	476	399	
September ..	2	4,200	3,953	637	151	104	66	..	657	374	
October ..	9	4,250	4,271	702	150	193	64	..	848	399	
November ..	—	4,100	4,037	807	142	93	61	..	800	400	
December ..	2	..	3,962	..	143	..	..	..	..	..	

(a) Mills stocks; 1 Bale = 177.8 Kilograms. (b) Annual figures relate to August falling within the Financial Year.

(c) Relating to mills in the membership of Indian Jute Mills' Association. 1 Bale = 181.4 Kilograms. (d) Annual figures relate to October falling within the financial year. (e) Relating to mills in the membership of Indian Jute Mills' Association and one non-member mill. (f) Includes figures for Jammu and Kashmir. (g) 50 gross boxes of 60 sticks each upto February 1961 and 50 sticks each thereafter. (h) Includes cellophane from January 1961.

## COMMODITIES WITH INDUSTRY

TURES

Cotton (a)		Jute (e)		Foot- wear (Lea- ther)	Paper and paper boards	Foot- wear (Rub- ber)	Tyres (Auto- mobiles)	Sul- phuric acid	Caustic soda	Bleach- ing powder	Ammo- niun sul- phate	Paints and var- nishes
Yarn	Cloth	Hess- ian cloth bags	Sack- ing cloth bags									
Lakh Kgs.	Million metres	000 Metric tons	000 Metric tons	000	Metric tons	Lakh pairs	000's	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
11	12	13	14	15	16	17	18	19	20	21	22	23
186	305	..	..	..	..	..	..	..	..	..	..	..
59	199	30	56	1,511	12,215	52	23	6,846	1,148	181	32,789	2,665
82	411	30	58	1,821	11,608	60	26	6,504	1,893	686	1,123	2,521
204	473	25	56	2,110	9,421	54	27	6,984	1,038	151	2,933	3,215
113	400	17	74	2,280	8,626	51	19	6,593	1,410	304	3,149	3,628
69	232	28	30	2,046	11,835	50	29	7,112	9,551	306	18,379	4,037
89	207	25	47	1,961	18,833	55	30	11,300	10,905	233	34,275	4,539
78	262	16	29	2,056	18,117	57	53	16,937	3,642	160	26,717	5,450
79	284	17	30	2,449	19,984	55	44	16,787	4,609	158	34,035	4,860
74	275	17	29	2,509	20,104	56	48	17,938	4,075	136	31,483	7,170
78	262	16	29	2,056	18,117	57	55	16,937	3,642	160	26,717	5,450
80	257	18	26	1,923	15,381	52	45	18,118	3,571	122	20,506	6,400
83	265	27	37	1,921	19,609	56	49	15,688	2,776	129	17,861	4,500
80	281	25	39	1,973	20,802	54	42	18,846	1,831	148	30,397	4,800
112	315	26	46	2,316	13,492	57	39	16,298	2,628	136	36,345	4,600
62	314	25	52	2,844	15,279	64	44	12,089	2,342	127	38,592	3,500
63	331	25	56	2,991	19,200	56	45	19,077	2,940	166	34,112	3,400
93	350	25	54	2,639	19,904	59	36	20,008	3,269	190	30,679	4,600
..	397	28	51	2,618	20,826	67	58	21,018	2,944	170	27,950	4,300
..	..	23	47	2,811	15,807	65	30	..	3,012	102	..	..

TURES—(Contd.)

Brass (Sheels and circles and lanterns only)	Hurri- cane ware	Enamel ware	Diesel engines	Sewing machines	Dry cells	Storage batteries	Electric lamps	Electric fans	Domestic refri- gators	Auto- mobiles	Bicycles
Metric tons	000's	000 Pieces	No.	No.	Lakhs	000's	000's	000's	No.	No.	000's
34	35	36	37	38	39	40	41	42	43	44	45
1,470	448	953	1,612	4,448	27	23	2,217	56	556	948	28
1,063	597	952	927	8,581	60	25	2,019	45	128	2,092	58
1,663	382	931	803	13,988	64	24	2,637	72	57	337	65
1,101	126	871	985	21,949	42	20	1,721	74	232	354	75
1,321	185	765	1,142	..	47	23	1,439	61	297	882	89
2,000	211	539	2,128	..	35	27	1,531	58	1,033	1,918	114
1,987	341	1,125	3,656	..	42	28	1,448	56	1,730	1,690	278
2,117	361	1,371	4,386	..	54	27	1,786	61	1,616	1,428	89
1,940	332	1,371	3,658	..	33	24	1,871	67	3,750	1,593	119
1,987	341	1,125	3,656	..	42	28	1,448	56	1,730	1,690	278
1,845	371	1,011	3,097	6,271	43	27	1,655	42	718	1,509	143
2,027	309	1,023	2,975	6,444	29	25	1,518	45	689	1,656	64
1,846	370	974	3,138	5,714	39	22	1,830	41	638	1,770	64
2,157	243	842	3,207	3,943	35	27	1,540	61	523	1,856	66
2,111	256	821	3,765	6,012	45	29	1,528	66	770	1,973	61
1,979	233	788	3,520	6,172	27	27	1,702	69	966	1,701	67
2,000	275	824	2,843	5,986	49	26	2,007	72	684	2,083	97
2,000	368	699	2,614	..	33	27	1,391	74	736	3,359	104
..	..	..	..	..	38	26	1,670	..	..	2,515	..

Source: Ministry of Commerce and Industry, Indian Central Jute Committee, Ministry of Steel, Mines and Fuel, Ministry of Food and Agriculture, Monthly Abstract of Statistics and Monthly Statistics of the Production of Selected Industries of India.

**REPORT ON CURRENCY AND FINANCE, 1962-63**

**STATEMENT 7-A. EMPLOYMENT EXCHANGE STATISTICS**

Year/Month

	Exchanges(a)	Registrations	Number of		
			Applicants placed in employment	Applicants on live registers(b)	Employers using the exchanges(c)
1950	123	1,210,358	31,193	310,743	5,566
1953	116	1,210,358	16,973	671,218	419,107
1956	143	1,383,024	16,973	671,218	483,626
1957	181	1,669,895	19,744	758,503	543,626
1958	212	1,714,668	19,744	722,099	561,618
1959	215	2,301,888	19,723	1,181,339	561,188
1960	214	2,471,596	23,130	1,131	6,425
1961	206	2,772,548	27,131	1,206,339	6,425
1962	205	3,210,314	30,553	1,604,242	6,484
January	342	3,844,902	40,077	1,981,703	8,807
February	328	224,364	458,085	2,729,370	10,397
March	334	207,789	362,244	1,865,508	11,472
April	341	274,136	311,166	1,860,887	11,190
May	342	309,265	311,974	1,551,974	55,804
June	342	320,005	313,413	1,924,219	48,191
July	342	353,190	41,453	1,981,229	57,425
August	342	367,673	39,239	2,063,616	68,869
September	342	342,347	41,878	2,146,971	73,667
October	342	315,060	40,138	2,146,981	11,886
November	342	241	268,782	1,790,445	67,322
December	342	268,759	38,882	1,719,105	12,071
January	342	386,448	36,534	1,213,188	12,116
February	342	391,575	44,894	1,178,835	11,305
March	345	141,926	45,288	1,266,119	63,507
April	345	286,512	42,862	62,927	63,348
May	349	350,944	37,781	2,453,461	12,060
June	349	450,006	1,402,093	1,780	83,277
July	349	450,006	1,402,093	1,780	67,706
August	349	450,006	1,402,093	1,780	67,706
September	349	450,006	1,402,093	1,780	67,706
October	349	450,006	1,402,093	1,780	67,706
November	349	450,006	1,402,093	1,780	67,706
December	349	450,006	1,402,093	1,780	67,706
January	349	450,006	1,402,093	1,780	67,706
February	349	450,006	1,402,093	1,780	67,706
March	349	450,006	1,402,093	1,780	67,706

**B. OCCUPATIONAL DISTRIBUTION OF APPLICANTS ON LIVE REGISTERS**

At the end of

NUMBER OF APPLICANTS ON LIVE REGISTERS

Professionals, technicians and related workers	Administrative, sales and executive and managerial workers	Agricultural, dairy and related workers	Mechanics, workers in transport and related workers	Craftsmen and workers in trade and commerce	Service workers	Labourers	Persons without occupations

March	1961	1	15,611,166	2	3	4	5	6	7	8	9	10	11
June	"	17,454,391	11,815	81,660	8,730	2,107	34,672	1,10,615	67,196	88,503	10,95,260		
September	"	19,075,779	9,149	3,161	86,233	9,194	3,161	6,130	34,262	1,26,687	69,032	94,147	
December	"	18,377,703	8,056	86,128	9,194	3,161	5,299	16,321	1,17,701	75,082	1,04,439	12,11,704	
March	1962	"	18,559,974	8,032	10,243	8,817	10,243	5,737	34,905	1,33,751	75,658	12,94,863	
September	"	20,65,971	1,21,069	1,21,233	90,810	1,21,233	1,21,233	5,737	34,905	1,47,693	78,285	1,30,172	
December	"	22,23,188	4,162	4,162	99,265	11,21,232	5,737	5,737	34,905	1,52,060	82,060	1,11,642	
March	1963	"	23,79,510	1,12,613	4,082	99,945	11,21,232	5,693	15,599	1,40,559	78,285	1,30,172	
(a)	At the end of the period.	"	"	"	4,259	99,452	12,371	6,675	34,115	1,52,060	82,060	1,11,642	
	(b) Annual figures are averages of monthly.	"	"	"	"	"	"	6,361	51,596	1,52,060	82,060	1,11,642	
		"	"	"	"	"	"	"	12,371	6,675	34,115	1,52,060	82,060

Source: Pakistan Labour Bureau and Ministry of Labour and Personnel.

**STATEMENT 8—INDEX NUMBERS OF WHOLESALE PRICES—BY GROUPS**  
**(Annual and Monthly)**

(1952-53=100)

Average of months/ weeks	All Commo- dities	Food articles	Liquor and tobacco	Fuel, power, light and lubricants	Industrial raw materials	Manufactures				
						Total	Inter- mediate products	Finished products		
Weight	1000	504	21	30	155	290	41	249		
1950-51	...	...	111.8	112.5	98.4	130.9	103.3	112.4	101.8	
1955-56	...	...	92.5	86.6	81.0	95.2	99.0	99.7	100.1	99.6
1956-57	...	...	105.3	102.3	84.3	104.2	116.0	106.3	110.9	105.6
1957-58	...	...	108.4	106.4	94.0	113.5	116.5	108.1	107.3	108.2
1958-59	...	...	112.9	113.2	95.4	115.4	115.6	108.4	110.3	108.1
1959-60	...	...	117.1	119.0	99.5	116.5	123.7	111.7	113.8	111.3
1960-61	...	...	124.9	120.0	109.9	120.0	145.4	123.9	130.6	122.8
1961-62	...	...	125.1	120.1	100.3	122.1	142.6	126.6	138.8	124.6
1962-63	...	...	127.9	126.1	100.6	124.1	136.5	128.8	139.5	127.1
April 1961	...	...	126.0	117.6	112.0	121.5	153.1	127.5	136.0	126.1
May	"	..	125.4	117.2	104.1	121.6	153.2	126.9	136.9	125.3
June	"	..	126.2	120.6	100.1	123.3	148.3	126.2	139.7	123.9
July	"	..	128.8	124.2	98.6	122.1	151.4	127.6	141.9	125.3
August	"	..	127.5	124.3	99.9	122.3	144.6	126.3	140.9	123.9
September	"	..	124.6	121.1	99.7	121.4	138.3	125.5	140.6	123.1
October	"	..	124.4	120.9	99.5	121.8	136.0	126.3	140.3	124.3
November	"	..	124.3	120.3	98.3	121.7	137.1	126.6	140.1	124.4
December	"	..	122.9	117.8	95.3	122.0	136.6	126.6	138.4	124.7
January 1962	.	..	123.3	118.3	97.3	122.1	137.5	126.3	137.8	124.4
February	"	..	124.3	119.9	99.0	122.8	138.7	126.2	137.9	124.3
March	"	..	123.5	119.1	99.8	122.5	136.1	126.4	135.6	124.9
April	"	..	124.2	120.5	98.8	121.5	135.1	126.9	136.9	125.3
May	"	..	126.3	124.2	102.0	122.5	134.9	127.5	137.3	125.9
June	"	..	127.5	125.5	99.7	123.9	136.1	128.9	139.5	127.2
July	"	..	129.6	128.6	98.5	123.8	138.8	129.4	142.6	127.2
August	"	..	131.1	131.5	99.2	122.5	139.6	129.0	143.1	126.7
September	"	..	130.5	130.0	99.8	124.2	139.8	129.4	142.9	127.2
October	"	..	129.9	129.0	100.3	123.0	138.8	129.4	144.2	127.0
November	"	..	130.1	129.6	100.2	123.0	137.8	129.9	142.1	127.9
December	"	..	125.8	122.8	99.5	124.2	133.9	128.7	137.1	127.2
January 1963	.	..	126.0	123.4	99.3	124.0	133.7	128.5	136.2	127.3
February	"	..	126.6	124.2	99.3	123.9	133.7	129.2	136.3	128.0
March	"	..	127.1	123.4	110.3	135.4	135.2	129.6	136.2	128.5

Source : Office of the Economic Adviser to the Government of India

## STATEMENT 9—INDEX NUMBERS OF WHOLESALE

(Base: 1952-53)

Average of months/ Week ended Saturday	General Index	Food Articles				Liquor and Tobacco		Fuel, Power, Light and Lubricants	
		Total	Cereals	Pulses	Milk and ghee	Total	Tobacco		
		1000	504	192	43	84	21	30	
		1	2	3	4	5	6	7	8
1 1950-51 ..	..	131.8	112.5	94.7(b)	91.7(b)	102.8	98.4	99.2	92.6
2 1955-56 ..	..	92.5	86.6	75.5	62.2	89.6	81.0	79.6	95.2
3 1956-57 ..	..	105.3	102.3	96.3	80.8	100.0	84.3	82.8	104.2
4 1957-58 ..	..	108.4	106.4	100.9	82.4	104.8	94.0	92.3	113.5
5 1958-59 ..	..	112.9	115.2	106.8	103.9	107.3	95.4	93.8	115.4
6 1959-60 ..	..	117.1	119.0	104.1	93.5	113.3	99.5	97.9	116.5
7 1960-61 ..	..	124.9	120.0	104.4	92.9	116.0	109.9	108.3	120.0
8 1961-62 ..	..	125.1	120.1	102.3	91.9	116.4	100.3	96.8	122.1
9 1962-63 ..	..	127.9	126.1	105.6	105.2	124.3	100.6	97.1	124.1
10 April 7, 1962 ..	..	123.5	119.3	102.2	92.4	123.1	98.8	95.2	121.5
11 14, ..	..	124.6	121.4	102.3	93.9	128.5	98.6	95.0	121.5
12 21, ..	..	123.9	120.1	103.1	93.6	119.7	98.6	95.0	121.4
13 28, ..	..	124.7	121.3	103.5	94.6	123.6	99.2	95.7	121.4
14 May 5, ..	..	125.1	122.1	103.9	95.4	124.6	101.1	97.6	122.4
15 12, ..	..	126.1	124.1	103.8	96.1	131.8	102.4	99.1	122.3
16 19, ..	..	126.5	125.0	104.0	99.1	130.5	102.4	99.1	122.3
17 26, ..	..	127.0	125.4	104.5	102.5	130.5	102.1	98.7	122.3
18 June 2, ..	..	126.5	124.3	104.5	103.1	122.1	102.1	98.7	122.1
19 9, ..	..	126.9	124.6	104.7	102.2	123.1	99.3	95.8	122.1
20 16, ..	..	127.4	125.2	105.2	101.8	129.6	98.7	95.1	124.1
21 23, ..	..	127.7	125.6	105.3	102.1	128.3	99.5	96.0	124.2
22 30, ..	..	129.1	127.6	105.5	103.3	130.3	99.1	95.5	124.1
23 July 7, ..	..	128.6	126.6	105.8	103.9	123.7	99.1	95.5	124.4
24 14, ..	..	129.5	128.3	106.8	105.0	127.3	99.1	95.5	124.4
25 21, ..	..	129.7	128.7	107.5	104.6	127.7	97.9	94.2	124.6
26 28, ..	..	130.9	130.8	108.6	108.5	130.6	97.9	94.2	124.7
27 August 4, ..	..	131.2	131.6	109.0	112.2	138.0	98.5	94.9	124.5
28 11, ..	..	131.2	131.6	109.3	114.0	134.5	99.2	95.6	124.5
29 18, ..	..	131.0	131.2	109.7	112.7	129.0	99.6	96.1	124.5
30 25, ..	..	131.1	131.5	109.9	113.2	130.4	99.5	96.0	124.4
31 September 1, ..	..	130.9	130.6	109.9	111.8	125.9	99.5	96.0	124.4
32 8, ..	..	130.8	130.5	110.2	111.4	125.1	99.9	96.3	124.9
33 15, ..	..	131.0	130.8	109.4	110.7	130.0	99.9	96.3	124.8
34 22, ..	..	130.2	129.2	108.9	110.7	126.6	99.9	96.3	124.9
35 29, ..	..	130.0	129.0	108.6	111.9	124.8	100.0	96.5	124.8
36 October 6, ..	..	129.6	128.7	108.5	112.7	124.5	100.0	96.5	124.7
37 13, ..	..	129.7	128.6	108.4	114.2	122.5	100.0	96.5	124.7
38 20, ..	..	129.9	129.0	108.2	116.4	123.6	100.5	97.0	124.8
39 27, ..	..	130.4	129.6	108.7	116.5	125.0	100.5	97.0	125.0
40 November 3, ..	..	130.5	130.2	109.1	115.5	124.2	100.5	97.0	125.0
41 10, ..	..	130.5	130.1	110.0	114.9	124.5	100.5	97.0	125.1
42 17, ..	..	130.8	130.4	109.9	113.1	124.1	99.8	96.2	125.1
43 24, ..	..	129.0	127.8	103.6	109.3	116.5	99.8	96.2	125.0
44 December 1, ..	..	127.3	125.5	106.0	105.3	115.7	99.8	96.2	124.3
45 8, ..	..	125.5	122.7	104.3	101.2	112.2	99.8	96.2	124.2
46 15, ..	..	125.0	121.4	103.9	100.3	110.6	99.8	96.2	124.3
47 22, ..	..	125.7	122.5	103.8	102.8	116.2	99.1	95.5	124.3
48 29, ..	..	125.3	121.9	103.3	103.3	115.9	99.1	95.5	124.3
49 January 5, 1963 ..	..	125.8	122.7	102.4	103.9	117.3	99.1	95.5	124.0
50 12, ..	..	125.8	123.1	102.7	104.3	117.5	99.4	95.8	124.0
51 19, ..	..	125.9	123.3	102.9	103.6	118.9	99.4	95.8	124.1
52 26, ..	..	126.4	124.4	103.1	103.8	121.2	99.4	95.8	124.0
53 February 2, ..	..	126.8	124.8	103.0	103.4	121.3	99.4	95.8	124.0
54 9, ..	..	126.5	124.1	102.6	103.4	121.4	99.4	95.8	124.0
55 16, ..	..	126.8	124.5	102.2	103.6	123.7	99.3	95.8	124.0
56 23, ..	..	126.1	123.2	101.7	102.4	121.1	98.9	95.3	124.0
57 March 2, ..	..	126.3	123.0	101.4	102.2	120.6	98.9	95.3	125.9
58 9, ..	..	127.4	123.9	101.6	101.1	127.0	113.1	110.4	135.0
59 16, ..	..	127.0	123.3	102.1	99.5	125.1	113.1	110.4	134.9
60 23, ..	..	127.1	123.3	102.2	98.3	125.1	113.1	110.4	137.3
61 30, ..	..	127.3	123.5	102.8	97.4	126.1	113.1	110.4	137.2

Note: Weights of sub-groups do not add up to the total as only selected sub-groups are shown.

(a) Comprising hides raw, skins raw, lac and rubber etc. (b) Derived figures.

**PRICES (GROUPS & SUB-GROUPS), 1962-63**  
 53-100)

Industrial Raw Materials								Manufactures				
Total	Fibres	Oil-seeds	Minerals	Others (a)	Total	Intermediate products		Finished products				
155	61	60	2	32	290	41	249	147	20	Machinery and transport equipment		
9	10	11	12	13	14	15	16	17	18			
130.9	127.9	142.5	80.6	117.7	103.3	112.4	101.8	108.4	90.8	81.3		1
99.0	105.6	85.4	87.6	113.2	99.7	100.1	99.6	101.6	92.1	97.4	2	
116.0	116.4	120.0	102.3	109.1	106.3	110.9	105.6	107.5	93.4	98.9	3	
116.5	117.5	120.4	108.4	107.7	108.1	107.3	108.2	107.3	98.4	101.7	4	
115.6	108.0	127.0	106.0	109.2	108.4	110.3	108.1	103.3	106.8	103.9	5	
123.7	114.6	134.5	97.8	122.7	111.7	113.8	111.3	107.8	106.9	106.5	6	
145.4	151.6	149.9	97.4	128.0	123.9	130.6	122.8	125.8	104.4	111.9	7	
142.6	138.3	156.4	94.9	128.1	126.6	138.8	124.6	125.5	110.7	114.5	8	
136.5	128.8	151.4	93.6	125.8	128.8	139.5	127.1	126.1	115.5	118.2	9	
135.2	126.3	149.5	93.7	128.4	126.6	136.0	125.0	124.9	112.9	117.5	10	
135.0	125.6	150.2	94.8	126.9	126.7	136.6	125.1	125.0	112.3	117.5	11	
134.8	126.0	149.4	94.8	127.1	126.9	137.2	125.3	125.2	112.2	117.5	12	
135.2	126.2	150.3	94.8	126.8	127.3	137.6	125.6	125.4	112.7	117.5	13	
135.5	126.4	150.9	93.8	126.8	126.9	136.8	125.3	124.6	112.6	117.5	14	
134.8	125.7	149.6	93.8	127.2	127.1	136.7	125.5	124.7	112.6	117.5	15	
134.3	125.0	149.4	93.8	126.5	127.2	137.4	125.5	124.7	112.6	117.6	16	
134.9	125.8	150.0	93.8	126.4	128.0	138.3	126.3	125.7	113.8	117.6	17	
135.1	126.6	149.7	93.8	126.8	128.1	138.6	126.4	125.9	112.8	117.6	18	
136.0	127.6	150.8	93.8	126.9	128.6	139.5	126.8	126.6	112.7	117.7	19	
135.9	127.4	150.8	93.8	127.0	129.0	140.0	127.2	127.1	113.7	117.7	20	
136.5	127.1	152.6	93.4	126.8	128.9	139.3	127.1	126.7	114.1	117.7	21	
137.1	127.9	151.9	93.4	126.0	130.0	140.3	128.3	128.4	115.1	117.7	22	
137.4	128.8	154.0	93.4	125.3	129.8	142.1	127.7	127.5	115.2	117.9	23	
138.5	130.3	155.5	93.4	125.4	129.4	142.2	127.3	126.7	115.4	117.9	24	
139.3	130.8	156.8	93.4	125.3	129.0	142.5	126.8	125.7	115.1	117.9	25	
140.0	130.7	158.9	93.4	125.2	129.3	143.5	126.9	126.0	115.4	117.9	26	
139.5	129.0	159.5	93.4	125.0	129.1	143.6	126.7	125.2	115.4	117.9	27	
139.5	128.9	160.0	93.4	124.4	129.1	143.4	126.8	125.5	114.6	117.9	28	
139.9	128.2	161.6	93.4	124.3	128.8	142.8	126.6	125.1	114.6	117.9	29	
139.6	128.3	160.6	93.4	125.0	129.0	142.5	126.7	125.2	115.2	117.9	30	
140.2	130.2	160.0	93.4	124.9	129.4	142.3	127.3	126.1	115.2	117.9	31	
139.7	130.7	158.5	93.4	124.7	129.3	142.7	127.1	125.8	116.5	117.9	32	
139.4	129.7	158.9	93.4	124.2	129.7	143.0	127.5	126.5	116.2	117.7	33	
139.8	129.6	159.9	93.4	124.7	129.4	143.4	127.1	125.7	116.5	117.7	34	
140.1	130.0	160.0	93.4	124.7	129.2	142.9	126.9	125.4	116.5	117.7	35	
138.9	129.4	157.7	93.4	124.6	128.9	142.9	126.7	125.0	116.5	117.7	36	
138.4	128.8	157.1	93.4	124.5	129.6	143.6	127.3	125.8	117.6	117.7	37	
138.9	129.0	158.2	93.4	124.4	129.2	144.9	126.6	124.6	117.6	117.7	38	
138.9	129.2	157.8	93.4	125.0	130.0	145.4	127.5	125.7	117.2	117.7	39	
137.4	128.5	154.7	93.4	124.8	130.0	145.0	127.5	125.7	117.2	117.7	40	
137.9	129.3	154.8	93.4	125.6	130.0	142.6	127.9	126.5	117.2	117.7	41	
139.3	132.0	155.9	93.6	125.2	129.9	141.3	128.0	126.7	117.2	117.7	42	
136.6	128.1	152.9	93.6	125.1	129.7	139.6	128.1	126.9	117.2	117.7	43	
134.8	127.8	148.1	93.5	125.7	128.6	137.3	127.1	125.6	117.2	117.7	44	
133.7	127.2	145.8	93.5	126.2	128.1	135.8	126.8	125.2	117.2	117.7	45	
133.4	127.3	145.1	93.4	125.4	128.8	136.5	127.6	126.7	115.3	117.7	46	
134.0	127.8	146.4	93.4	125.2	128.9	138.1	127.4	126.3	115.3	117.7	47	
133.8	126.8	146.5	93.4	125.7	128.7	137.7	127.2	126.1	115.8	117.7	48	
133.8	127.2	146.6	93.4	125.0	128.9	137.4	127.5	126.5	116.0	117.7	49	
134.0	128.1	146.3	93.4	124.9	128.4	136.3	127.1	125.8	116.0	117.7	50	
133.4	127.8	144.3	93.4	126.4	128.4	135.9	127.2	126.1	116.0	117.7	51	
133.6	127.6	144.7	93.4	126.6	128.4	135.3	127.3	126.2	116.0	117.7	52	
133.9	128.8	144.3	93.4	126.8	128.8	135.9	127.7	127.0	115.6	117.7	53	
133.6	129.8	142.3	93.4	126.9	129.0	135.8	127.9	127.3	116.0	117.7	54	
133.4	131.0	140.8	93.4	126.6	129.4	136.8	128.2	127.6	116.0	118.3	55	
133.7	131.7	141.1	93.4	126.5	129.3	136.6	128.1	127.4	116.0	118.3	56	
135.3	132.5	144.3	93.4	126.2	129.2	136.6	128.0	126.9	116.7	118.6	57	
135.3	133.4	143.6	93.4	126.1	129.4	136.2	128.3	127.3	117.5	118.8	58	
135.1	131.7	142.6	93.4	126.3	129.3	135.5	128.3	127.3	117.2	119.0	59	
135.0	134.2	141.8	93.4	126.5	129.4	136.7	128.2	126.6	117.5	122.7	60	
135.3	133.6	142.5	93.4	127.9	129.5	136.2	128.4	127.0	117.5	122.7	61	

## STATEMENT OF MOVEMENTS IN PRICE INDICES OF SELECTED COMMODITIES

(1952-53-100)

	<b>IV. Fuel, Power, Light and Lubricants</b>	30	97.5	96.8	121.9	122.5	135.4	- 0.7	+ 25.9	+ 0.5	+ 10.5
(i) Coal	..	9	100	101	141	145	158	+ 1.0	+ 39.6	+ 2.8	+ 9.0
(ii) Mineral oil	..	14	88	95	112	111	127	+ 8.0	+ 17.9	- 0.9	+ 14.6
(iii) Castor oil	..	2	171	79	109	105	95	- 53.8	+ 38.0	- 3.7	- 9.5
<b>V. Industrial Raw Materials</b>	..	155	153.7	169.4	159.1	136.1	135.2	- 28.8	+ 45.4	- 14.5	- 0.7
(i) Fibres	..	61	170	113	177	128	134	- 33.5	+ 56.6	- 27.7	+ 4.7
1. Cotton raw	..	32	144	107	111	112	117	- 25.7	+ 3.7	+ 1.8	+ 4.5
2. Jute raw	..	23	204	122	271	148	152	- 40.2	+ 122.1	- 45.4	+ 2.7
(ii) Oilseeds	..	60	149	106	160	149	143	- 28.9	+ 50.9	- 6.9	- 4.0
1. Groundnuts	..	27	145	102	159	149	134	- 29.7	+ 55.9	- 6.3	- 10.1
2. Linseed	..	5	157	123	141	138	125	- 21.7	+ 14.6	- 2.7	- 9.4
3. Castorseed	..	2	172	81	128	124	117	- 52.9	+ 58.0	- 3.7	- 5.6
(iii) Manganese ore	..	0.5	62	95	86	82	78	+ 51.2	- 9.5	- 4.7	- 4.9
(iv) Mica	..	1	103	93	99	99	99	- 9.7	+ 6.5	-	-
<b>VI. Manufactures</b>	..	290	118.7	102.9	129.7	126.4	129.6	- 13.3	+ 26.0	- 2.5	+ 2.5
<b>(a) Intermediate products</b>	..	41	132.5	110.5	137.3	135.6	136.2	- 16.6	+ 24.3	- 1.2	+ 0.4
(i) Cotton yarn	..	15	105	101	126	129	137	- 3.8	+ 24.8	+ 2.4	+ 6.2
(ii) Metals	..	8	121	124	149	147	162	+ 2.5	+ 20.2	- 1.3	+ 10.2
1. Pig iron	..	1	78	117	163	183	183	+ 50.0	+ 39.3	+ 12.3	-
(iii) Linseed oil	..	6	162	136	154	137	111	- 16.0	+ 13.2	- 11.0	- 19.0
<b>(b) Finished products</b>	..	249	116.5	101.6	128.4	124.9	128.5	- 12.8	+ 26.4	- 2.7	+ 2.9
(i) Cotton manufactures	..	91	102	109	127	128	134	+ 6.9	+ 16.5	+ 0.8	+ 4.7
(ii) Jute manufactures	..	37	167	95	162	117	102	- 49.2	+ 70.5	- 27.8	- 12.8
(iii) Metal products	..	12	86	125	151	152	161	+ 45.3	+ 20.8	+ 0.7	+ 5.9
1. Iron and steel manufactures	..	11	84	126	147	152	161	+ 50.0	+ 16.7	+ 3.4	+ 5.9
(iv) Chemicals	..	20	96	92	105	113	117	- 4.2	+ 14.1	+ 7.6	+ 3.5

\*Derived figures in respect of Foodgrains, Cereals and Pulses. @ Derived series; weighted average of the indices of rice, wheat, jowar, bajra, barley, maize, ragi, gram, other pulses, potatoes, onions, oranges, bananas, cashewnuts, tea, coffee, spices and condiments, betelnuts, tobacco raw, cotton raw, jute raw, hemp raw, groundnuts, mustard, castor seed, ghee, oilseed, cotton seed, copra, tanning materials, sugarcanes, rubber, logs and timber and bamboos. † Derived series.

Source: Office of the Economic Adviser to the Government of India.

## STATEMENT II—CONSUMER PRICE INDEX NUMBERS (WORKING CLASS)

(1949-100)

	All-India	Ahmed-dabad	Almer	Banga-lore	Bom-bay	Cal-cutta	Cuttack	Delhi	Gau-hal	Hyde-rabad	Jabal-pur	Kan-pur	Ludh-iana	Madras	Nag-pur	Shah-pur	Trib-ular	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Annual Average	1949-51	101	104	105	108	103	101	112	102	100	105	109	91	101	100	97	103	
	1953-56	96	89	85	104	110	93	100	87	100	90	99	79	85	100	98	85	107
	1956-57	107	101	97	118	116	102	108	112	99	123	108	91	94	113	107	110	113
	1957-58	112	104	98	123	122	105	111	112	104	124	110	108	95	117	113	116	113
	1958-59	118	115	106	123	130	109	117	101	117	101	123	101	99	126	122	106	121
	1959-60	123	123	106	145	136	112	123	119	99	131	108	126	100	135	134	116	130
	1960-61	124	120	109	147	137	113	128	121	104	133	109	120	100	103	146	135	120
	1961-62*	127	121	114	151	142	115	134	128	107	138	115	125	103	106	149	132	118
	1962-63*	131	121	114	154	145	121	142	130	112	142	133	130	106	112	150	133	130
Monthly Index*																		
April	1961	124	119	111	150	139	111	130	125	104	136	109	120	99	103	149	130	116
May	"	124	119	112	149	140	111	132	126	106	136	110	120	97	104	148	132	115
June	"	125	122	112	150	141	111	132	127	104	135	110	121	99	105	148	132	117
July	"	123	123	113	151	142	116	134	130	106	139	110	122	101	106	106	117	135
August	"	128	122	115	151	143	118	133	130	107	139	111	124	103	104	149	133	120
September	"	128	123	114	151	142	118	135	132	108	138	112	124	104	104	149	133	120
October	"	128	122	113	151	141	119	135	127	110	140	114	128	104	107	148	132	118
November	"	128	122	115	151	141	119	136	126	109	145	115	129	101	109	149	132	114
December	"	128	122	115	151	142	117	133	130	108	138	116	126	101	108	149	131	117
January	1962	127	119	115	151	142	114	134	129	109	137	119	126	107	107	148	131	119
February	"	127	121	113	152	143	114	137	129	109	137	127	127	108	108	149	131	119
March	"	127	121	113	152	143	115	136	129	109	136	131	127	105	109	149	131	121
April	"	128	121	113	152	143	117	139	129	111	136	131	127	102	111	149	131	119
May	"	128	122	113	152	144	119	143	127	111	139	132	128	103	110	150	132	121
June	"	130	124	112	153	146	119	142	130	110	141	133	128	106	111	150	132	124
July	"	132	125	114	154	146	120	138	133	112	142	134	128	108	113	151	133	126
August	"	133	124	113	154	148	123	139	134	112	144	135	130	111	114	151	133	126
September	"	133	125	119	154	147	124	138	135	113	145	135	132	110	114	151	133	126
October	"	134	123	117	154	145	127	141	131	117	149	135	133	109	114	151	134	125
November	"	133	121	116	155	145	127	145	130	115	153	134	134	108	113	151	136	125
December	"	131	117	112	154	143	120	140	128	115	152	132	130	105	110	150	134	124
January	1963	130	115	111	154	143	120	142	130	110	152	132	130	104	110	150	134	124
February	"	129	114	110	154	142	116	146	130	109	152	132	130	104	112	150	134	124
March	"	130	111	111	154	143	116	146	130	111	152	133	131	104	112	150	134	124

\* Average of available monthly figures.

† The series is discontinued as it is replaced by new series on base 1960-100. The figures published for Delhi subsequent to November 1962 are estimated by linking with the new series.

Source: Labour Bureau, Government of India.

## STATEMENT 12—PRICES OF GOLD AND SOVEREIGN IN BOMBAY (ANNUAL AND MONTHLY)

	Gold (a) (Rs. per 10 grams)				Forward(b)				Sovereign (Rs.)				Estimated floating stocks of gold(e) (Kilograms)	
	Spot		Highest		Lowest		Average(c)		Spot		Highest(d)			
	Highest	Lowest	Average(c)	Highest	Lowest	Average(c)	Highest(d)	Lowest(d)	Average(c)	Spot	Highest(d)	Average(c)		
1950-51	..	..	102.99	89.81	97.28	101.91	89.59	97.06	78.25	73.81	76.05	90.2		
1955-56	..	..	91.79	76.66	82.18	91.69	73.84	80.85	66.75	59.00	61.29	263		
1956-57	..	..	93.98	84.83	89.61	93.45	83.97	89.22	70.00	65.75	67.58	287		
1957-58	..	..	98.06	89.59	92.99	96.98	89.22	92.54	72.25	68.75	70.39	224		
1958-59	..	..	103.31	89.33	96.09	102.72	88.90	95.70	76.00	69.75	72.06	282		
1959-60	..	..	107.98	99.88	103.71	114.56	98.48	105.50	86.50	75.75	80.10	372		
1960-61	..	..	115.42	101.22	108.20	121.25	116.40	121.25	99.75	93.50	95.98	379		
1961-62	..	..	124.40	107.12	114.91	124.50	107.12	114.05	95.25	84.75	89.05	373		
1962-63	..	..	129.90	86.00	117.71	128.85	103.75	122.51	99.25	72.00	91.02	244 (f)		
April	1962	..	121.85	118.85	120.60	121.95	119.75	120.87	97.25	96.50	96.89	266		
May	"	..	127.55	120.45	123.90	123.65	119.95	121.58	99.25	96.50	97.70	262		
June	"	..	126.50	124.50	125.68	126.60	122.20	123.96	99.25	97.50	98.37	271		
July	"	..	127.10	125.10	125.90	125.68	124.15	125.16	98.00	97.50	97.83	213		
August	"	..	129.90	124.75	126.79	128.85	124.60	126.23	98.25	97.25	97.77	219		
September	"	..	129.10	120.10	124.04	128.20	120.70	123.97	98.25	94.50	96.01	260		
October	"	..	123.20	115.75	118.81	121.95	116.65	119.19	97.25	94.00	95.38	365		
November	"	..	121.65	86.00	103.19	120.90	103.75	110.67	96.00	72.00	82.03	223		
December	"	..	119.00	96.00	106.07	126.04	99.00	106.07	89.00	76.00	81.61	139		
January	1963	..	108.00	101.00	105.16	120.70	102.00	108.00	82.00	80.00	81.07	140		
February	"	..	106.00	95.00	102.00	116.65	100.50	106.00	76.00	72.00	73.75	—		
March	"	..	102.50	97.00	100.50	103.19	97.00	103.19	77.00	73.00	74.64	—		

Note: Import duty per 10 grams (inclusive of surcharge of 5 per cent) was Rs. 11.25 upto May 1957 and Rs. 12.86 thereafter. Forward trading was banned throughout the country with effect from November 14, 1962. The prices of gold (spot) and sovereign are nominal from February 18, 1963.

(a) Spot and settlement prices are quoted per 10 grams from October 1, 1960 instead of per tola; earlier prices are converted by using the conversion factor 1 tola = 11.628 grams. Spot prices relate to Mysore gold upto July 13, 1958. Abyssamia gold from July 14, 1958 to July 31, 1959 and gold bullion thereafter. (b) Monthly settlements upto June 25, 1961 and quarterly settlements thereafter. In arriving at the highest, lowest and average prices, all settlement rates have been taken into account. (c) Average of closing quotations for working days. (d) Figures relate to closing prices for working days. (e) Average of week-end stocks. Quoted in kilograms from the week ended September 30, 1960; earlier data are converted by using the conversion factor as given in (g). (f) Average of 40 weeks.

Source: Bombay Bullion Association Ltd.

## STATEMENT 13—PRICES (WEEKLY) OF GOLD AND SILVER AND ESTIMATED STOCKS IN BOMBAY, 1962-63

	Gold				Silver				(In bars of 10 kilograms)
	Spot(a)	Forward(e)	Premium(+) or discount(—) of spot over forward	Estimated floating stocks (Kilograms)	Spot(b)	Forward(c)	Premium(+) or discount(—) of spot over forward		
			(Rs. per 10 grams)				(Rs. per kilogram)		
<i>At the close of 1962</i>									
April	6 ..	120.35	121.10	-0.75	233	219.80	219.30	+0.50	4225
"	13(d)	120.25	120.85	-0.60	256	220.45	219.70	+0.75	4225
"	20 ..	121.00	121.05	-0.05	292	219.95	218.20	+1.75	3900
"	27 ..	120.60	120.35	+0.25	292	220.50	217.25	+1.25	3250
May	4 ..	121.95	120.70	+1.25	233	223.05	218.30	+4.75	3250
"	11 ..	121.55	120.50	+1.25	233	219.15	216.15	+3.00	3250
"	18 ..	121.25	121.55	+1.90	233	221.00	218.25	+2.75	2125
"	25 ..	120.40	123.35	+3.15	350	221.30	218.80	+2.50	2125
June	1 ..	121.75	123.15	+2.40	257	216.60	216.85	-0.25	1950
"	8 ..	123.65	124.65	+1.00	315	215.65	216.15	-0.50	2275
"	15 ..	126.75	126.60	+0.15	233	215.00	216.15	-0.55	2162
"	22 ..	125.75	123.70	+2.15	292	215.50	216.00	-0.50	2175
"	29 ..	125.55	124.15	+1.40	257	214.80	216.05	-1.25	3250
July	6 ..	126.35	125.15	+1.20	187	215.15	216.15	-1.00	2925
"	13 ..	126.90	125.50	+1.00	198	213.70	214.10	-0.40	2275
"	20 ..	125.75	125.15	+0.60	233	213.75	214.85	-1.10	2350
"	27 ..	125.25	124.60	+0.65	233	212.65	213.65	-1.00	2275
August	3 ..	124.70	125.30	+0.40	233	213.60	214.30	-0.70	2275
"	10 ..	125.50	125.25	+0.25	198	214.05	214.35	-0.50	2275
"	17 ..	126.00	126.00	+0.45	233	214.70	216.20	-1.50	2275
"	24(d)	122.65	126.85	+0.80	198	216.15	217.25	-1.10	2275
"	31 ..	129.10	127.95	+1.15	233	219.25	219.50	-0.25	2275
September	7 ..	124.40	124.25	+0.15	292	218.20	218.60	-0.40	1950
"	14 ..	125.10	125.05	+0.45	233	218.75	218.80	-0.05	1950
"	21 ..	121.90	122.15	+0.75	233	220.05	221.30	-1.25	2275
"	28 ..	120.85	121.40	-0.55	260	220.20	221.20	-1.00	2275

## PRICES

SA	October	5	"	119.25	119.80	-0.55	408	218.30	219.05	-0.75	2925
	"	12	"	115.95	116.45	-0.50	467	219.20	219.40	-0.20	2600
	"	19	"	119.85	119.10	+0.75	292	221.60	222.80	-1.20	2600
	"	26	"	118.50	119.25	-0.75	292	223.90	224.90	-1.00	2925
	November	2	"	120.00	120.25	-0.25	213	224.50	225.50	-1.00	2925
	"	9	"	103.00	107.25	+0.75	213	215.25	215.75	-0.50	2925
	"	16	"	104.00	104.00	"	210	213.60	216.10	-2.50	3250
	"	23	"	90.25	90.25	"	233	189.30	193.30	-4.00	3250
	"	30	"	59.25	59.25	"	233	194.45	196.45	-2.00	3375
	December	7	"	101.25	101.25	"	146	195.90	195.90	"	3900
	"	14	"	106.65	106.65	"	140	206.40	208.40	-2.00	3375
	"	21	"	110.25	110.25	"	152	209.70	210.45	-0.75	3900
	"	28	"	105.00	105.00	"	117	210.35	210.85	-0.50	4225
	1963										
	January	4	"	104.50	104.50	"	140	211.90	211.65	+0.25	3500
	"	11	"	N.Q.	N.Q.	"		N.Q.	N.Q.		3575
	"	18	"	N.Q.	N.Q.	"		223.00	223.00		2925
	"	23	"	N.Q.	N.Q.	"		224.50	224.50		3687
	February	1	"	N.Q.	N.Q.	"		226.00	226.00		2925
	"	8	"	N.Q.	N.Q.	"		229.00	229.00		3250
	"	15	"	N.Q.	N.Q.	"		233.00	233.00		3250
	"	22	"	22(d)	106.00	"		237.00	237.00		2925
	March	1	"	N.Q.	N.Q.	"		234.00	234.00		2925
	"	8	"	N.Q.	N.Q.	"		240.00	240.00		2762
	"	15	"	N.Q.	N.Q.	"		240.00	240.00		2762
	"	22	"	101.00	101.00	"		239.00	239.00		2600
	"	29	"	97.00	97.00	"		239.00	239.00		2925

Note: Forward trading in gold was banned throughout the country with effect from November 14, 1962 and that in silver from January 10, 1963.  
The prices of silver (₹/ct) are nominal from January 12, 1963 and those of gold (₹/gt) and sovereign from February 13, 1963.

(a) Relates to gold bullion. (b) Relates to below .996 fineness. (c) When more than one settlement run during the day, the quotation for the first settlement only is shown. (d) Market closed; preceding working day's quotations are given.

N. Q. = Not quoted.

Source: Bombay Bullion Association Ltd.

**STATEMENT 14—ASSAYING AND REFINING OF GOLD AND SILVER AT THE INDIA GOVERNMENT MINTS**

(Kilograms)

	Melting and assaying at			Refining at Bombay
	Bombay	Airport	Total	
<b>Gold</b>				
1950-51	..	..	1.62	28.59(a)
1955-56	..	..	1.14	1.21
1956-57	..	..	54	73
1957-58	..	..	1.31	10
1958-59	..	..	69	20
1959-60	..	..	89	9
1960-61	..	..	1.05	33
1961-62	..	..	1.45	11
1962-63	..	..	140.80(b)	6.85(b)
Silver				
1950-51	..	..	14.82	1,123.15(a)
1955-56	..	..	41	529.06
1956-57	..	..	85	1,680.88
1957-58	..	..	58	1,523.93
1958-59	..	..	61	982.80
1959-60	..	..	63.49	710.81
1960-61	..	..	9.01	614.32
1961-62	..	..	9.69	369.44
1962-63	..	..	5.00	340.91

Note : The Calcutta and Airport Mints did not undertake any refining work.

(a) Figures relate to the Calcutta Mint. (b) Includes 80,04,355 grams of gold in the case of Bombay and 6,84,330 grams in the case of Airport received against Gold Bonds.

**STATEMENT 15—PRICES (c) OF SILVER IN BOMBAY  
(ANNUAL AND MONTHLY)**

(Rupees per Kilogram)

	Spot			Forward (d)			Estimated floating stocks (e) in bars of 10 kilograms
	Highest	Lowest	Average (d)	Highest	Lowest	Average (d)	
1950-51	..	170.40	149.07	159.37	169.11	148.70	158.39
1955-56	..	157.59	132.68	144.65	158.13	128.28	142.95
1956-57	..	160.64	144.63	150.58	160.21	142.54	150.26
1957-58	..	168.09	151.91	158.32	168.04	151.80	158.05
1958-59	..	173.19	152.99	162.95	173.76	153.89	163.25
1959-60	..	187.12	164.50	176.08	187.07	161.71	175.07
1960-61	..	209.30	181.00	193.64	209.30	181.22	191.77
1961-62	..	219.65	196.95	206.49	219.35	194.95	206.41
1962-63	..	242.00	187.80	218.69	225.55	191.80	214.82
April 1962	..	221.55	218.55	220.30	220.80	216.60	218.71
May	..	223.65	216.60	220.78	219.25	215.85	217.82
June	..	217.00	214.55	215.40	217.39	215.00	215.93
July	..	216.10	212.00	213.82	216.85	212.80	214.64
August	..	219.70	212.20	215.26	220.25	213.00	216.13
September	..	221.15	216.50	219.63	222.40	216.70	220.30
October	..	224.45	217.40	221.45	225.20	218.49	222.38
November	..	224.55	187.80	208.03	225.55	191.80	209.08
December	..	213.50	194.10	204.56	214.00	194.40	203.61
January 1963	..	232.00	210.85	220.09	213.90	210.60	212.19
February	..	240.50	225.00	231.70			3,058
March	..	242.00	235.00	239.31			2,795

Note : Import duty per kilogram (inclusive of a surcharge of 5 percent) was Rs. 8.44 up to May 2, 1956, Rs. 16.88 upto May 15, 1957 and Rs. 16.03 thereafter. Spot and settlement prices are quoted per kilogram from October 1, 1960 instead of per 100 tolas. Earlier prices/stocks are converted by using the conversion factor 1 tola = 11.6638 grams. Forward trading was banned throughout the country with effect from January 10, 1963. The prices of silver (spot) are nominal from January 12, 1963.

(a) Spot quotations for silver relate to .999 fineness for 1950-51 and thereafter to below .995 fineness.

(b) Monthly settlements upto June 25, 1961 and quarterly settlements thereafter. In arriving at the highest, lowest and average prices, all settlement rates have been taken into account. (c) Average of week-end stocks. Quoted in bars of 10 kilograms from the week ended September 30, 1960. (d) Average of closing quotations for working days.

Source : Bombay Bullion Association Ltd.

**STATEMENT 16—SEASONAL TRENDS IN SELECTED ITEMS OF SCHEDULED BANKS'  
LIABILITIES AND ASSETS**

Season	Net demand deposits	Net time deposits	Aggregate deposits (1+2)	Borrowings from Reserve Bank	Cash and balances with the Reserve Bank	Cash ratio (a) at the end of the period	Investments in Government securities (b)	Investment ratio (c) at the end of the period	Bank credit (d)	Credit deposit ratio (e) at the end of the period	(Lakhs of Rupees)
				1	2						
Slack 1950 ..	+ 11,53	+ 4	+ 11,72	- 8,22	+ 26,99	13.0	+ 31,86 (f)	43.7 (g)	- 74.4 (g)	47.7 (g)	
Busy 1950-51 ..	- 4,74	+ 22,40	+ 17,56	+ 9,24	- 25,21	9.9	- 65.9 (f)	+ 163.4 (g)	+ 163.4 (g)	63.4 (g)	
Slack 1955 ..	+ 20,97	+ 37,84	+ 58,82	- 21,37	+ 12,41	9.1	+ 47.71	33.4	- 31.55	58.0	
Busy 1955-56 ..	+ 36.95	+ 5,00	+ 41.95	+ 50.35	- 6.74	8.7	- 36.93	33.4	+ 164.49	71.2	
Slack 1956 ..	- 5,17	+ 29,66	+ 24,48	+ 1,91	+ 1,02	8.0	+ 16.09	34.2	+ 3.67	70.0	
Busy 1956-57 ..	+ 86.66	+ 45,44	+ 133.11	+ 14,90	+ 16,00	5.5	- 26.96	23.2	+ 148.42	74.5	
Slack 1957 ..	+ 17.97	+ 125.06	+ 143.03	- 42.94	+ 40.22	10.5	+ 49.67	23.9	- 41.89	63.6	
Busy 1957-58 ..	+ 19.75	+ 128.81	+ 148.56	- 9.92	- 10.74	3.3	+ 50.41	29.4	+ 89.42	63.3	
Slack 1958 ..	- 69.59	+ 133.92	+ 64.33	- 17.58	+ 13.66	9.3	+ 172.73	39.3	- 117.91	33.2	
Busy 1958-59 ..	+ 66.22	+ 49.63	+ 115.90	+ 24.94	- 14.61	- 3.18	- 3.18	56.4	+ 191.70	60.3	
Slack 1959 ..	- 53.16	+ 159.63	+ 106.46	- 13.35	- 21.11	6.2	+ 179.00	44.2	- 78.95	52.3	
Busy 1959-60 ..	+ 69.75	+ 61.10	+ 150.85	+ 29.80	+ 29.67	7.3	- 52.39	33.4	+ 183.93	53.6	
Slack 1960 ..	+ 7.41	- 30.68	- 23.26	- 27.02	+ 4.17	7.6	- 52.33	35.2	- 20.31	53.2	
Busy 1960-61 ..	+ 52.68	- 43.34	+ 9.34	+ 21.53	- 23.24	6.3	- 126.32	29.4	+ 198.53	63.3	
Slack 1961 ..	+ 9.98	+ 33.86	+ 43.84	- 31.67	+ 10.30	7.3	+ 62.59	34.3	- 76.50	67.6	
Busy 1961-62 ..	+ 55.68	+ 96.44	+ 152.12	+ 6.16	- 44	6.7	- 25.00	30.6	+ 203.37	72.7	
Slack 1962 ..	+ 13.96	+ 70.04	+ 84.01	- 3.30	- 6.85	6.4	+ 111.93	34.3	- 42.10	67.7	
Busy 1962-63 ..	+ 59.44	- 50.37	+ 39.07	+ 22.01	+ 3.45	6.1	- 97.69	29.5	+ 203.93	76.2	
Outstanding as on April 26, 1963 ..	891.57	1,194.38	2,085.95	31.36	127.78	614.81	1,589.73				

**Note :** The slack season is from May to October and the busy season is from November to April. In analysing the figures relating to aggregate liabilities/deposits and investments in Government securities, note should be taken of the impact of the new arrangement for the holding of P.L. 480 funds, effective from May 12, 1960. Figures above the line in columns 1, 2 and 3 relate to net demand/net time aggregate liabilities. The ratios above the line in columns 6, 8 and 10 relate to aggregate liabilities. Figures of bank credit (column 9), below the line are exclusive of due from banks.

(a) Percentages of cash and balances with the Reserve Bank of India to aggregate deposits. (b) At book value; includes treasury bills and discount notes. (c) Percentage of investments in Government securities to aggregate deposits. (d) Includes foreign bills purchased and discounted in India from May 14, 1954. (e) Percentage of bank credit to aggregate deposits. (f) Based on Form XIII figures submitted by scheduled banks. (g) Excluding foreign bills purchased and discounted in India and including Money at call and short notice.

## STATEMENT 17—SCHEDULED BANKS—BUSINESS IN INDIA (ANNUAL AND WEEKLY)

(Amount in lakhs of Rupees)

Average of Periods months	Demand Liabilities				Time Liabilities				Borrowings from			
	Deposits		Borrow- ings from banks (a)	Others (b)	Deposits		Borrow- ings from banks (a)	Others (c)	Reserve Bank of India (d)		State Bank of India (e)	and/or a notified bank
	No. of report- ing banks	1	2	3	4	5	6	7	8	9	10	11
1950-51	20	25	578.36		1.91	277.44	835.83	4.46				
1955-56	11	9.20	599.44		5.66	61.50	1,082.54	24.51	7.67			
1956-57	11	9.66	643.69		2.70	451.22	1,074.91	63.45	10.13			
1957-58	11	13.31	707.86		10.33	608.83	1,316.68	44.58	7.02			
1958-59	11	22.37	745.71		29.66	831.14	1,548.87	17.81	6.68			
1959-60	11	21.23	725.51		26.33	1,061.26	1,766.74	19.42	8.26			
1960-61	11	18.16	776.66		18.26	1,136.36	1,915.01	43.01	13.36			
1961-62	11	21.15	531.60	18.93	1.054.23†	21.33†	22.61	1,807.74	21.68	15.32		
1962-63	11	22.94	53.91	22.13	1.219.64	15.71	10.98	2,020.63	19.33	18.91		
At 41 the close of 1961/62 day												
1960-61	93	21.62	992.55		1.01	412.35	1,013.15	65.08	12.41			
1955-56	89	4.87	630.80		1.97	471.69	1,175.30	103.16	19.71			
1956-57	89	8.27	703.61		14.86	70.59	1,451.24	42.00	11.68			
1957-58	92	13.29	780.63		21.81	122.63	1,635.01	61.86	14.79			
1958-59	93	11.24	772.38		20.30	1,120.63	1,892.02	79.44	16.82			
1959-60	94	12.62	781.13									
1960-61	89	14.01	521.11	14.29	1.026.34	11.07	22.45	1,746.06	94.53	18.52		
1961-62	83	19.03	57.17	14.84	1,131.25	13.28	13.74	1,916.84	53.04	17.59		
1962-63	79	22.78	56.87	20.78	1,173.19	15.74	10.49	2,012.30	71.28	22.62		
1962-63 (W-e-a) Period figures												
April	6		82	54.87	795.19	16.41	1,151.66	14.11	13.30	1,946.85	31.43	20.57
"	11		82	51.66	745.87	21.84	39.90	16.43	13.12	1,947.90	17.05	22.47
"	20		83	52.62	789.45	25.30	61.11	15.99	12.96	1,956.75	15.01	21.00
"	27		83	53.84	784.53	28.07	60.33	17.47	11.59	1,962.88	12.65	21.29
May	4		81	52.61	782.94	10.40	60.40	16.61	11.12	1,964.09	14.15	20.93
"	11		82	50.54	775.18	26.92	58.50	17.03	10.96	1,964.68	21.56	20.29
"	18		82	49.64	775.55	25.92	58.21	16.51	10.07	1,973.01	12.48	19.06
"	25		81	51.93	784.52	20.19	50.41	14.24	9.99	1,983.03	4.79	18.25



## STATEMENT 17—SCHEDULED BANKS—BUSINESS IN INDIA (ANNUAL AND WEEKLY)—(Contd.)

## REPORT ON CURRENCY AND FINANCE, 1962-63

(Amount in lakhs of Rupees)

	Bank Credit										Total (A)	Per- cent- age of (2) to (1)		
	Advances					Bills purchased and discounted								
	Inland Foreign (i)			Due from banks										
	13	14	15	16	17	18	19	20	21	22	23	24	25	
Average of Friday figures														
1910.51	..	14.68	60.78	93.46	11.2	10.51	15.62	310.71	36.9	447.03(A)	11,870	458.90	33.6	
1915.56	..	14.64	52.52	76.16	8.7	10.51	13.11	359.35	32.3	626.09	43.78	632.46	63.0	
1916.57	..	16.94	50.23	87.17	8.0	11.03	11.03	384.65	29.2	722.97	50.12	781.64	71.4	
1917.58	..	19.38	77.62	117.60	8.9	12.40	12.40	564.90	36.5	765.50	51.78	890.80	67.7	
1918.59	..	40.27	84.01	124.36	8.0	14.71	12.14	724.64	40.6	842.90	51.77	918.1	58.7	
1919.60	..	44.75	75.87	120.62	6.8	16.08	7.3	687.95	33.9	996.84	40.98	987.49	55.3	
1910.61	..	47.04	93.40	140.43	7.3	..	..	..	..	..	47.13	1,160.19	60.6	
1961-62	..	47.92	78.11	126.03	7.0	16.45	44.90	585.01	32.4	1,036.55†	12.63†	1,277.77	48.21†	
1963-63	..	51.07	61.61	132.68	6.6	18.70	48.53	616.78	37.5	1,092.96	8.70	139.94	45.67	
At all the time of last Friday														
1955.56	..	34.95	58.36	93.30	10.6	10.51	6.11	389.90	34.3	511.66(A)	102.02	46.77	546.93	
1956.57	..	35.84	48.90	44.73	8.7	11.31	11.62	347.18	29.3	722.00	117.52	767.25	73.0	
1957.58	..	51.98	54.78	88.26	7.5	10.50	41.60	440.45	30.4	806.21	116.20	900.04	76.6	
1946.59	..	37.19	67.85	105.04	7.2	10.50	13.59	613.37	37.5	865.07	96.73	962.73	66.3	
1959.60	..	61.12	90.79	152.91	8.0	18.56	18.50	714.73	37.6	951.29	109.78	1,014.67	62.0	
1960.61	..	45.56	71.02	116.58	6.7	17.88	17.85	558.58	32.0	1,110.96	130.00	1,127.88	59.3	
1961.62	..	48.86	74.59	123.46	6.4	17.77	31.55	601.39	37.4	1,178.13	139.35	1,319.53	73.76	
1962-63 (Weekly)														
1962	April	6	52.67	90.21	142.47	7.4	18.73	41.64	589.39	30.3	1,184.14	8.95	181.22	48.42
	..	11	47.76	80.11	129.87	6.7	17.64	43.87	588.46	30.2	1,190.44	6.35	180.65	41.37
	..	20	51.19	84.19	137.39	6.7	18.99	46.54	587.78	30.1	1,198.81	6.19	183.97	46.86
	..	27	51.26	79.92	131.18	6.7	18.45	49.86	600.87	30.6	1,202.67	5.68	183.11	41.27
May	4	51.13	80.73	132.12	6.7	17.79	51.97	592.77	30.6	1,199.59	5.71	179.39	47.78	
	11	51.97	83.10	126.47	7.0	17.31	49.92	574.77	29.4	1,211.45	5.16	176.21	43.71	
	18	48.77	83.93	137.20	7.0	17.71	50.37	570.44	28.9	1,216.75	5.16	176.21	43.71	
	25	42.09	86.45	138.45	7.0	18.42	55.05	583.78	29.4	1,213.33	5.02	174.08	45.22	
	..	..	..	..	..	..	..	..	..	..	56.16	1,587.79	77.3	

June	1 ..	49,97	79,64	129,60	6,5	18,39	586,91	29,6	1,218,58	5,72	1,430,57	72,5		
	8 ..	50,92	81,49	132,41	6,7	17,97	581,43	29,3	1,229,62	5,82	1,437,16	72,5		
	15 ..	56,64	87,13	129,26	7,0	18,10	53,67	575,40	28,9	1,221,35	6,06	1,431,13	71,8	
	22 ..	52,14	93,13	145,27	7,3	19,48	50,90	583,36	29,1	1,221,59	5,89	1,415,98	70,6	
	29 ..	59,19	91,58	150,77	7,5	21,18	52,44	607,67	30,2	1,248,47	4,89	1,417,27	70,4	
July	6 ..	52,18	109,56	161,75	6,0	18,29	61,16	556,76	29,6	1,247,10	7,23	1,418,02	70,3	
	13 ..	51,56	87,09	125,55	6,9	17,45	47,20	578,74	28,9	1,222,59	7,01	1,420,45	70,4	
	20 ..	49,05	107,65	151,21	7,5	16,59	45,83	6,02,03	30,6	1,227,76	7,23	1,395,01	68,9	
	27 ..	48,47	58,33	146,59	7,2	18,45	53,10	635,54	32,2	1,241,92	6,92	1,386,24	68,0	
August	3 ..	48,67	91,92	140,27	6,9	19,03	56,29	671,08	32,9	1,211,63	6,11	1,297,79	67,9	
	10 ..	47,27	50,27	137,54	6,7	18,88	53,44	671,52	32,9	1,211,62	6,12	1,284,77	68,0	
	17 ..	53,68	92,31	145,93	7,1	19,86	51,68	669,22	32,7	1,207,71	7,20	1,384,79	67,6	
	24 ..	51,98	92,17	151,15	6,9	19,86	51,68	681,22	33,1	1,193,21	7,31	1,372,85	66,8	
	31 ..	47,90	75,28	123,18	6,0	17,51	45,77	695,71	34,1	1,206,03	9,30	1,349,74	68,5	
September	7 ..	49,13	89,10	138,23	6,9	17,70	38,48	681,51	33,8	1,211,15	8,81	1,411,33	69,9	
	14 ..	49,68	79,01	128,69	6,9	17,47	43,39	662,19	32,6	1,205,89	7,89	1,400,22	69,0	
	21 ..	47,92	81,58	129,50	6,4	17,92	44,97	683,64	33,6	1,186,16	7,05	1,472,49	68,0	
	28 ..	47,92	75,97	124,55	6,1	16,77	47,92	690,35	33,9	1,180,21	7,54	1,382,79	67,9	
October	5 ..	49,88	81,16	131,05	6,4	18,73	59,47	692,82	34,0	1,190,14	6,47	1,55,50	68,6	
	12 ..	55,02	74,13	129,15	6,3	17,97	52,66	690,15	33,7	1,182,21	7,03	1,390,74	67,9	
	19 ..	52,30	80,52	118,03	6,2	18,66	48,26	696,83	33,9	1,168,91	8,04	1,56,75	67,9	
	26 ..	47,78	76,55	124,33	6,7	17,63	53,71	712,50	34,6	1,175,07	9,32	1,49,50	51,23	
November	2 ..	53,96	72,85	126,80	6,2	18,20	53,07	694,05	34,0	1,174,66	6,57	1,54,74	68,7	
	9 ..	50,32	77,04	127,37	6,2	17,38	63,42	697,23	33,5	1,171,05	8,49	1,63,73	53,47	
	16 ..	49,80	74,90	114,71	6,6	17,05	51,40	684,65	33,5	1,152,51	9,73	1,62,60	51,40	
	23 ..	48,23	78,62	116,35	6,2	17,69	52,20	709,68	34,5	1,149,78	8,94	1,59,94	54,54	
	30 ..	47,36	68,85	116,42	5,7	15,97	50,01	700,21	34,4	1,168,33	9,48	1,51,37	52,74	
December	7 ..	49,11	73,25	122,46	6,7	17,70	55,19	665,73	33,1	1,160,59	11,57	1,333,79	69,3	
	14 ..	49,73	74,22	115,97	6,2	17,50	51,18	664,52	32,9	1,150,82	8,05	1,51,71	50,02	
	21 ..	45,99	74,10	122,19	6,0	19,02	5,92	661,77	32,8	1,191,49	9,23	1,396,57	69,0	
	28 ..	53,71	78,54	131,83	6,3	24,37	60,19	652,10	32,0	1,169,59	9,51	1,28,19	54,20	
1963	January	4 ..	52,10	78,47	120,57	6,4	20,63	54,68	642,16	31,6	1,228,65	10,25	1,62,24	51,20
	11 ..	49,79	75,52	124,31	6,1	19,33	52,55	635,15	31,4	1,231,51	9,75	1,60,06	52,71	
	18 ..	55,61	76,61	132,22	6,3	18,59	51,27	642,21	31,4	1,247,78	10,13	1,45,25	71,8	
	25 ..	48,20	73,58	121,71	5,9	19,70	51,93	649,87	31,7	1,226,83	8,93	1,64,20	51,50	
February	1 ..	49,52	85,62	155,24	6,6	18,50	41,31	637,03	31,2	1,221,25	11,10	1,47,11	71,9	
	8 ..	50,91	76,80	117,70	6,3	18,48	26,24	616,11	30,3	1,279,54	10,57	1,49,49	51,55	
	15 ..	51,46	76,36	117,82	6,2	18,37	36,81	605,69	29,6	1,279,59	12,81	1,38,73	74,2	
	22 ..	50,62	72,03	122,65	6,0	18,37	36,79	616,60	30,1	1,273,63	13,15	200,69	51,36	
March	1 ..	55,05	71,23	126,27	6,2	18,14	35,41	612,12	30,0	1,282,93	7,70	1,25,64	51,45	
	8 ..	51,40	70,11	121,50	6,0	20,01	56,79	587,55	29,0	1,303,29	16,75	226,31	52,64	
	15 ..	52,63	71,01	123,65	6,7	18,62	36,87	597,93	29,0	1,303,45	15,25	220,55	53,61	
	22 ..	51,46	69,93	121,40	6,0	20,20	37,95	597,12	29,4	1,305,49	14,98	217,67	56,17	
	29 ..	51,62	73,97	125,59	6,2	21,65	39,32	592,25	29,1	1,309,08	14,28	225,55	56,16	

Note : Compiled from the information furnished under Section 42(C) of the Reserve Bank of India Act. This Statement has been recast to show separate figures of inter-bank transactions in respect of deposits and advances, which are available since November 25, 1960. Under a revised arrangement transfer of total amount of Rs. 50 crores out of the existing P.L. 490 debts with the State Bank of India to the Reserve Bank took place in monthly instalments of Rs. 10 crores with effect from November 1, 1962. The figures of assets and liabilities of banks include the changes consequent on the transfer.

(a) Including borrowers from State Bank upto April 10, 1952. (b) Figures above the line relate to aggregate liabilities. (c) Figures above the line include demand deposits. (d) Figures above the line relate to aggregate liabilities. (e) Figures above the line include time deposits. (f) Figures above the line relate to aggregate liabilities. (g) Includes Inland bills purchased by Reserve Bank. (h) Includes Inland bills purchased by Reserve Bank. (i) Relates to Inland bills discounted only. (k) Figures above the line include time deposits. (l) Relates to Inland bills discounted only. (m) Average of last 19 weeks.

## STATEMENT 19—DEBITS TO CURRENT DEPOSIT ACCOUNTS WITH SCHEDULED BANKS (c)

(Amount in Lakhs of Rupees)

Banks	Offices	Number of reporting banks/offices (as at the close of business)	Current deposits (b) (c)				Debits to Current Deposit Accounts during the year/month (d)				Total of approved cash credit and over- draft limits during the year/month (e)				Debits to cash credit and over- draft limits during the year/month (e)				Rate of turnover of current deposits in the year/month (c)				Overall rate of turnover							
			Of Total*				Of business and individuals				Of business and individuals				Of business and individuals				Of business and individuals				Total*							
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25			
1950-51	84	912	333.68	367.44	12,014.79	12,472.30	504.86(e)	609.65	589.74	605.52	605.52	345.69	36.1	33.9	14.3	14.3	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4			
1955-56	81	1,118	347.30	374.05	16,285.02	16,652.81	667.53	685.86	685.86	685.86	685.86	515.12	46.9	45.0	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4	17.4		
1956-57	80	1,191	362.98	400.58	17,655.52	18,706.84	718.81	745.87	718.81	745.87	718.81	634.83	43.6	50.2	45.3	45.3	45.3	45.3	45.3	45.3	45.3	45.3	45.3	45.3	45.3	45.3	45.3	45.3		
1957-58	83	1,213	369.09	430.40	18,511.35	19,517.74	739.27	774.93	5,671.42	5,671.42	5,671.42	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55	700.55			
1958-59	85	1,213	355.01	406.72	14,422.42	15,511.65	849.31	849.31	849.31	849.31	849.31	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50	645.50			
1959-60	87	1,313	355.01	406.72	14,422.42	15,511.65	941.66	941.66	941.66	941.66	941.66	7,403.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74	7,603.74			
1960-61	83	1,361	366.56	418.10	16,248.84	17,479.09	1,174.79	1,174.79	1,174.79	1,174.79	1,174.79	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36	584.36			
April	1960	88	1,349	372.21	424.74	1,361.23	1,479.34	907.38	907.38	907.38	907.38	907.38	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49	810.49		
May	"	87	1,350	374.76	425.85	1,294.99	1,431.91	914.55	914.55	914.55	914.55	914.55	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90	813.90		
June	"	84	1,338	372.66	431.59	1,281.90	1,427.59	927.47	927.47	927.47	927.47	927.47	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37	813.37		
July	"	86	1,352	383.27	432.63	1,292.53	1,439.75	955.11	910.93	910.93	910.93	910.93	605.97	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95	622.95		
August	"	87	1,256	365.22	416.89	1,256.38	1,393.43	918.64	918.64	918.64	918.64	918.64	571.25	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43	584.43		
September	"	86	1,344	354.89	409.24	1,354.89	1,420.70	977.31	977.31	977.31	977.31	977.31	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07	559.07			
October	"	85	1,370	362.17	412.18	1,375.61	1,456.41	931.05	931.05	931.05	931.05	931.05	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37	616.37			
November	"	85	1,368	362.49	411.22	1,393.57	1,439.67	941.75	941.75	941.75	941.75	941.75	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42	620.42			
December	"	85	1,323	342.72	391.42	1,342.95	1,454.53	816.42	816.42	816.42	816.42	816.42	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65	618.65			
January	1961	85	1,364	367.53	416.51	1,446.61	1,548.33	960.93	973.58	714.95	914.95	914.95	637.54	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99	733.99		
February	"	85	1,355	371.17	422.85	1,323.50	1,418.34	997.24	1,034.82	620.40	620.40	620.40	620.40	620.40	634.63	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92	935.92
March	"	63	1,361	360.85	422.85	1,359.43	1,524.14	1,026.48	1,031.95	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54	713.54				
April	"	82	1,369	371.27	421.37	1,492.82	1,620.90	1,023.26	1,019.87	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77	612.77				
May	"	80	1,377	380.30	202.84	1,471.73	1,571.33	933.53	933.53	933.53	933.53	933.53	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51	503.51			
June	"	78	1,347	381.49	431.17	1,376.65	1,477.02	1,003.12	1,013.96	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37	621.37					
July	"	79	1,350	377.09	406.12	1,393.50	1,517.20	1,011.14	1,067.86	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07	652.07					
August	"	79	1,346	351.56	400.31	1,277.05	1,379.45	1,037.45	1,094.42	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30	571.30					
September	"	76	1,307	335.23	386.61	1,342.13	1,469.66	921.67	1,029.39	601.21	601.21	601.21	601.21	601.21	619.35	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18	901.18
October	"	77	1,343	352.37	407.70	1,306.84	1,406.19	1,012.73	1,070.92	537.07	537.07	537.07	537.07	537.07	605.73	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19	935.19
November	"	76	1,370	343.30	396.00	1,241.58	1,447.47	1,007.92	1,063.02	610.77	610.77	610.77	610.77	610.77	622.61	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53	925.53
December	"	76	1,364	340.35	388.99	1,410.41	1,531.00	1,007.21	1,053.66	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73	678.73				

Note: The method of computation of the rate of turnover of current deposits in the above Statement has been changed from 1953-59. The rate of current deposits - the cash credit and overdraft accounts during the year by the monthly averages of outstandings. The cash credit and overdraft limits sanctioned were not taken into account although their debits were included in the total debits. From 1953-59 onwards, the rate of turnover is arrived at by dividing debits to current accounts at a given period by the average outstanding of current deposits. The overall cash credit and overdraft limits available at the beginning of 1958 and effective cash credit and overdraft limits are separately available for the first three months of 1958 and for the remaining nine months of 1958. The monthly rates of turnover are based on the data for the first three months. Monthly figures are outstandings at the end of the period.

(a) Includes data relating to Government and Quasi-Government bodies and business and individuals.

(b) Includes data relating to officers operating in towns with a population of one lakh and over.

(c) Annual figures are averages of monthly figures. Monthly figures are outstandings at the end of the period.

(d) Includes debts to cash credits and overdraft limits upto 1957-58.

(e) Average of monthly figures.

## REPORT ON CURRENCY AND FINANCE, 1962-63

(Amount in lakhs of Rupees)

(State-wide Distribution) (a)

**STATEMENT 20—REBITS TO CURRENT DEPOSIT ACCOUNTS WITH SCHEDULED BANKS**

January	1961..	23.82	16.37	469.50	92.76	24.45	20.86	106.25	21.69	1.07	18.39	8.42	60.27	457.88	1.18	124.18	
February	" ..	22.84	13.81	424.71	88.98	20.25	17.28	96.76	23.59	1.11	24.33	6.11	57.24	434.55	.88	91.06	
March	" ..	36.97	18.15	492.71	9.54	26.44	17.17	107.64	23.53	1.44	17.71	9.88	59.89	580.91	1.11	103.91	
April	" ..	1,892.62	31.70	15.99	503.35	91.79	22.34	17.62	13.71	24.21	2.07	17.75	10.70	57.94	472.37	1.32	110.11
May	" ..	379.75	23.50	452.94	83.05	22.72	16.32	14.29	19.79	24.28	83	17.9	59.59	436.32	1.48	101.62	
June	" ..	1,376.65	22.95	12.31	455.13	73.39	22.69	14.39	104.34	20.83	86	16.51	61.13	464.12	1.47	101.90	
July	" ..	1,395.50	23.51	11.26	481.55	85.47	21.66	16.79	112.08	22.55	1.63	16.11	5.39	51.82	441.38	1.48	101.13
August	" ..	1,227.05	21.57	14.68	426.84	72.74	17.64	13.90	99.45	19.38	87	13.68	6.25	52.98	415.56	1.82	80.15
September	" ..	1,342.13	26.92	14.69	460.80	76.25	23.39	13.87	104.55	21.00	2.66	12.06	6.25	54.67	452.24	1.31	73.75
October	" ..	21.19	14.38	444.08	80.97	24.04	15.18	105.20	20.06	78	15.16	6.39	43.88	422.99	1.69	87.94	
November	" ..	1,206.04	13.71	459.08	83.64	24.55	14.92	101.66	22.67	1.13	17.35	6.21	49.63	449.59	1.62	82.01	
December	" ..	1,341.08	19.98	12.47	467.53	96.87	25.32	15.97	103.35	23.85	1.21	17.20	7.76	44.62	483.15	1.60	91.80

## ANNUAL RATE OF TURNOVER (%)

1955-59	39.6	43.5	22.7	39.0	47.9	37.1	42.2	28.1	11.2	32.0	45.6	37.0	47.6	15.7	27.4		
1959-60	" ..	40.6	45.7	23.1	40.5	51.6	38.9	42.5	31.4	33.7	38.8	35.0	45.7	14.9	34.0		
1960-61	" ..	44.3	43.9	23.9	30.7	43.6	51.7	37.8	45.1	34.3	33.8	32.2	53.0	16.3	40.4		
April	1960 ..	44.0	57.1	27.6	41.1	46.7	34.4	47.6	39.8	66.8	31.1	42.3	38.2	50.9	14.4	42.6	
May	" ..	41.5	45.0	23.1	42.1	48.5	35.9	45.5	33.6	10.1	35.3	34.2	34.2	48.2	13.7	31.0	
June	" ..	40.3	49.2	22.8	38.5	53.0	29.8	42.5	30.8	9.2	33.0	35.1	36.1	50.3	19.6	28.1	
July	" ..	40.5	36.4	15.8	36.5	51.2	54.5	38.3	45.0	29.2	11.1	34.6	35.5	42.0	15.0	40.9	
August	" ..	41.3	52.3	26.3	35.1	46.8	46.4	30.5	41.8	27.9	9.0	36.6	27.3	44.6	50.1	19.9	
September	" ..	43.0	47.1	21.2	38.0	50.9	53.2	37.2	39.8	35.9	7.3	30.1	25.1	39.0	54.1	21.3	
October	" ..	45.6	31.7	21.8	42.2	54.5	49.8	42.3	47.4	30.0	8.0	35.1	38.3	35.0	56.8	22.6	42.9
November	" ..	46.2	37.1	20.7	42.5	62.5	49.3	42.0	44.8	37.4	10.0	33.3	25.5	36.3	55.7	16.0	38.2
December	" ..	47.3	43.5	25.5	43.0	56.2	54.6	53.5	44.1	36.3	29.9	40.9	45.3	59.0	20.7	40.8	
January	1961 ..	47.2	45.4	27.9	44.7	63.3	53.8	45.1	46.9	39.1	13.2	24.3	18.1	41.6	53.5	15.6	36.8
February	" ..	42.8	24.1	39.3	54.8	54.8	48.3	38.7	43.3	40.4	16.2	42.9	40.3	39.9	49.5	10.9	36.8
March	" ..	53.1	61.0	33.1	49.3	60.7	62.2	31.3	52.5	35.3	11.8	35.8	42.8	42.4	63.0	15.5	52.2
April	" ..	49.3	47.6	29.3	48.3	60.5	53.5	38.3	60.1	36.7	15.7	33.7	54.6	44.5	52.3	13.0	46.6
May	" ..	47.3	39.8	24.2	50.2	58.4	56.3	38.3	49.8	23.5	9.1	36.2	43.4	43.2	48.4	20.7	48.4
June	" ..	43.1	33.5	20.5	39.9	48.9	58.9	32.6	50.7	30.2	11.1	30.2	32.7	38.7	50.3	19.4	40.4
July	" ..	46.9	38.0	21.2	45.5	58.9	54.6	40.6	53.6	34.6	12.2	35.2	37.8	35.6	53.9	24.0	39.4
August	" ..	43.5	33.3	26.9	41.5	52.0	44.0	32.8	49.3	32.1	9.7	32.6	35.0	38.6	51.3	23.2	33.8
September	" ..	48.0	40.2	24.7	46.7	53.8	61.4	34.1	53.4	37.2	33.3	33.7	25.7	41.7	56.4	19.4	35.6
October	" ..	44.5	32.5	26.1	43.5	53.8	57.0	35.6	46.5	34.1	11.1	31.6	36.7	35.3	50.1	26.3	39.8
November	" ..	46.9	33.4	25.2	45.5	54.5	54.3	32.4	43.1	40.5	13.3	35.4	41.7	35.3	55.9	21.6	40.0
December	" ..	49.7	36.1	28.3	49.0	54.9	63.2	35.3	46.7	42.2	14.2	32.1	41.9	35.4	58.7	18.8	41.2

(a) Relates only to centres with a population of one lakh and over.  
 (b) Inclusive of centrally administered areas.  
 (c) Till June 1960, the figures relate to nine months only.  
 (d) Includes credit balances in cash credits.  
 (e) Debits to current deposits during the year (or month) divided by the monthly average of (f)  
 former Bombay State. Figures for 1960-61 relate to nine months only.  
 (f) Monthly rates are expressed on an annual basis.

## STATEMENT 21—CHEQUE CLEARANCES

Period	Total		AHMEDABAD		AMRITSAR		BANGALORE*		MUMBAI*	
	Number	Amount	Num-	Am-	Num-	Am-	Num-	Am-	Num-	Am-
			ber	ount	ber	ount	ber	ount	ber	ount
	1	2	3	4	5	6	7	8	9	10
1950-51		2,178	553,18	79	18,79	7	3,25	58	5,81	829
1955-56		3,197	661,35	144	27,32	97	3,50	78	1,82	1,125
1956-57		3,342	727,51	154	29,20	43	4,12	77	10,31	1,233
1957-58		3,483	746,81	175	32,37	44	4,53	93	11,70	1,264
1958-59		3,774	814,56	198	34,77	45	4,79	103	14,49	1,241
1959-60		4,183	916,58	215	40,65	53	5,66	118	17,60	1,481
1960-61		4,567	1,045,89	244	47,07	57	6,44	126	18,84	1,615
1961-62		4,996	1,133,93	279	55,84	59	7,74	139	21,73	1,718
1962-63		5,259	1,249,11	283	57,51	60	7,74	152	14,96	1,769
April	1962	5,159	1,159,92	295	63,19	69	6,49	145	2,12	28,66
May	"	5,222	1,211,33	315	66,87	65	7,12	151	2,49	47,47
June	"	5,046	1,147,12	281	58,36	59	7,15	140	19,48	1,757
July	"	5,420	1,243,86	277	57,29	65	7,80	156	23,74	1,875
August	"	5,160	1,241,11	263	55,15	58	6,95	157	24,76	1,910
September	"	4,985	1,176,22	251	54,49	53	6,44	138	23,36	1,714
October	"	5,229	1,196,03	309	55,76	60	7,70	157	24,34	1,896
November	"	5,442	1,285,34	247	49,58	57	7,24	157	24,16	1,745
December	"	5,663	1,219,29	257	46,68	60	7,48	147	22,34	1,656
January	1963	5,492	1,337,90	311	54,93	66	8,35	166	25,97	1,795
February	"	5,693	1,264,77	271	62,36	58	6,94	148	21,36	1,645
March	"	5,727	1,506,36	305	71,47	59	7,35	166	21,43	1,743

Period	KANPUR*		LUCKNOW		MADRAS*		MADRASI		MANGALORE	
	Num-	Am-	Num-	Am-	Num-	Am-	Num-	Am-	Num-	Am-
	25	26	27	28	29	30	31	32	33	34
1950-51		23	21,35	23	2,74	264	36,01	19	1,38	6
1955-56		26	12,44	22	2,55	253	35,55	16	1,75	10
1956-57		25	13,89	23	2,76	254	42,73	16	1,73	14
1957-58		29	15,21	55	3,15	361	42,52	17	2,16	15
1958-59		81	14,69	57	3,47	377	44,07	18	2,26	16
1959-60		88	16,45	38	3,50	400	51,63	19	2,67	17
1960-61		93	18,32	21	4,29	410	55,45	26	2,71	18
1961-62		100	19,31	43	4,28	438	59,37	31	2,97	23
1962-63		105	20,75	44	4,89	457	64,69	31	2,16	23
April	1962	107	21,00	46	5,00	438	61,55	21	4,15	23
May	"	123	22,49	46	4,65	452	61,26	21	5,13	23
June	"	124	19,28	37	4,60	434	57,32	20	4,89	26
July	"	124	18,87	41	4,56	452	63,03	20	5,13	19
August	"	124	17,49	44	4,58	434	65,72	24	5,16	16
September	"	124	17,09	44	4,73	417	61,35	21	5,15	22
October	"	124	18,48	41	4,71	425	64,03	21	5,16	22
November	"	114	21,09	46	4,54	463	61,19	21	4,89	22
December	"	108	20,91	42	5,38	436	63,15	21	4,88	22
January	1963	114	24,43	45	4,94	410	70,56	25	5,23	22
February	"	113	24,77	43	4,69	429	70,03	25	5,23	22
March	"	113	21,60	49	4,60	415	71,41	25	5,23	22

Note : Annual figures are averages of months.

\*Managed by Reserve Bank of India.

## (ANNUAL AND MONTHLY)

(Number in thousands)  
(Amount in Lakhs of Rupees)

CALCUTTA*		COCHIN		COIMBATORE		DELHI		HYDERABAD		JAIPUR		JURBALPUR	
Num- ber	Amo- unt												
11	12	13	14	15	16	17	18	19	20	21	22	23	24
541	198.86			17	3.01	103	12.48	9	3.01				
688	251.17	13	3.39	24	3.93	195	21.29	17	3.35	13	1.72		
717	266.46	14	3.28	25	4.23	216	22.82	20	3.35	13	1.75		
709	257.70	15	3.70	28	4.77	235	24.38	29	4.36	15	1.85		
722	275.53	16	4.00	29	4.89	277	27.49	40	6.07	15	2.20		
765	296.44	20	5.42	32	5.77	302	31.19	30	8.00	19	2.35		
803	348.50	21	6.42	39	7.32	324	34.30	55	9.37	21	2.95		
879	354.12	27	6.01	42	8.47	337	37.88	61	10.99	23	3.38	9†	1.45†
918	388.75	26	7.49	44	8.97	353	42.20	71	13.31	26	4.32	2	2.23
888	371.42	22	5.20	40	8.57	353	41.96	75	13.16	26	4.41	8	1.52
915	362.57	25	7.24	48	10.08	383	46.25	72	13.20	25	3.64	9	1.73
850	351.17	26	7.38	43	9.01	352	40.01	64	12.46	24	3.93	9	1.73
926	370.16	27	7.76	46	8.80	380	42.09	72	12.95	27	4.38	10	1.64
951	379.15	27	7.14	45	8.94	350	41.22	71	13.04	26	3.93	10	3.05
890	371.95	23	6.85	42	8.48	322	34.07	62	11.66	24	4.07	10	2.79
886	379.70	27	7.52	40	8.18	326	39.56	65	12.25	26	4.40	10	2.96
979	407.03	28	8.30	43	8.43	370	44.56	78	14.80	27	3.63	7	2.08
895	393.06	26	8.11	41	8.23	346	43.63	71	12.62	26	3.93	8	2.30
906	405.93	28	8.51	45	8.87	373	45.79	76	14.56	27	5.91	9	2.03
899	396.94	26	7.82	45	9.45	323	41.30	71	13.71	24	3.56	8	1.10
1,036	475.90	27	8.07	52	10.61	354	46.00	81	15.35	27	6.07	11	3.78

NAGPUR*		NEW DELHI*		POONA		SIMLA		SURAT		OTHER CENTRES	
Num- ber	Amo- unt	Num- ber	Amo- unt								
35	36	37	38	39	40	41	42	43	44	45	46
21	2.34	56	4.10	29	1.91	7	45			67	7.42
30	4.05	106	10.93	39	2.66	5	27			112	11.58
33	5.16	130	20.60	40	2.97	4	30			124	14.13
33	4.75	146	27.18	45	3.35	4	28			139	15.47
34	4.99	165	30.96	53	4.23	4	30	23	2.36	181	20.71
36	5.25	193	37.30	57	4.53	4	29	36	4.19	230	27.90
37	6.21	223	49.53	65	5.48	5	54	43	5.05	302	37.38
41	6.09	235	52.13	73	6.55	5	60	45	6.08	395	51.85
44	7.07	254	63.02	83	7.90	6	69	49	7.29	464	66.38
41	6.76	253	53.39	76	7.11	5	69	45	6.81	426	62.75
43	6.93	268	54.91	76	7.93	6	55	48	7.86	468	67.72
38	6.63	230	50.46	82	7.09	6	52	45	7.07	430	64.89
44	6.75	246	59.74	88	7.91	6	63	51	7.87	465	64.35
40	6.44	246	66.61	83	7.35	6	78	50	6.84	447	64.07
41	5.65	245	59.46	78	7.10	5	54	45	6.85	433	58.84
44	6.21	239	53.88	83	8.78	6	63	62	8.09	458	62.64
45	6.41	260	66.32	82	7.59	7	1,09	44	6.78	485	63.35
45	7.15	249	73.14	81	7.05	5	84	44	6.22	460	65.15
50	8.96	278	71.28	96	8.91	7	80	55	7.41	507	74.56
44	7.72	250	62.23	82	8.32	4	55	47	6.96	469	70.08
47	9.21	285	84.78	89	9.71	5	70	57	8.73	527	77.96

† Average of nine months.

## REPORT ON CURRENCY AND FINANCE, 1962-63

## STATEMENT 22—NON-SCHEDULED BANKS

Number of reporting banks		CAPITAL AND RESERVES				LIAE
		Total (a)	Total	Paid-up capital (b)	Reserves	Aggregate deposits (9 + 12)
		1	2	3	4	
<b>Average of last Fridays</b>						
1955-56	..	82,39	12,24	7,94	4,30	65,22
1956-57	..	87,05	11,65	7,51	4,34	69,24
1957-58	..	75,84	10,38	6,59	3,79	59,87
1958-59	..	59,34	8,72	5,59	3,12	45,56
1959-60	..	60,36	7,93	4,99	2,93	48,43
1960-61	..	60,27	7,49	4,72	2,77	48,44
1961-62*	..	55,22	7,02	4,35	2,68	44,81
		49,06	6,17	3,71	2,45	37,46
<b>Last Friday</b>						
1955-56	..	378	34,56	12,15	7,82	66,81
1956-57	..	324	90,26	11,59	7,19	71,30
1957-58	..	310	60,19	8,99	5,99	50,41
1958-59	..	279	57,76	7,90	4,96	45,08
1959-60	..	267	62,63	7,63	4,79	50,09
1960-61	..	256	54,16	6,95	4,33	42,73
1961-62	..	212	48,44	5,96	3,60	37,61
April 1961	..	254	57,84	7,19	4,50	46,35
May	..	251	56,54	7,04	4,32	45,20
June	..	249	54,99	7,15	4,49	43,41
July	..	249	54,18	6,96	4,27	42,93
August	..	241	52,53	6,77	4,15	42,14
September	..	225	49,51	6,35	3,79	36,88
October	..	227	50,23	6,47	3,86	37,37
November	..	223	49,19	6,31	3,75	36,81
December	..	218	49,54	6,15	3,75	38,18
January 1962	..	213	43,41	5,97	3,61	37,72
February	..	217	48,11	5,95	3,62	37,65
March	..	212	48,44	5,96	3,60	37,61
April	..	219	45,78	6,31	3,68	35,52
May	..	222	45,36	6,14	3,69	35,38
June	..	222	46,06	6,22	3,73	35,55
July	..	218	45,68	6,12	3,65	35,64
August	..	217	48,49	5,71	3,62	38,35
September	..	216	49,77	6,32	3,73	39,07
October	..	218	43,70	6,19	3,71	38,51
November	..	216	47,85	6,15	3,68	37,87
December	..	211	47,38	6,11	3,68	37,39

[For footnotes, please see end of the Statement.]

## LIABILITIES AND ASSETS IN INDIA

(Amount in lakhs of Rupees)

LITIES

DEPOSITS			TIME			Due to other banks	Other liabilities		
DEMAND		Others	TIME						
Total	Inter-bank		Total	Inter-bank	Others				
7	8	9	10	11	12	13	14		
23,92	35	23,57	42,09	44	41,65	1,75	2,39		
24,51	35	24,16	45,46	38	45,08	2,32	2,92		
20,58	27	20,31	39,82	26	39,56	2,38	2,68		
14,72	26	14,44	32,35	24	32,11	1,30	2,26		
14,74	33	14,41	34,42	40	34,02	69	2,59		
13,70	21	13,49	35,53	58	34,95	95	2,60		
13,09	18	12,91	31,70	60	31,09	89	2,52		
10,06	17	9,89	27,85	28	27,57	1,00	3,98		
24,90	42	24,48	42,71	38	42,33	2,29	2,51		
26,57	28	26,29	45,26	25	45,01	3,69	3,15		
14,88	19	14,69	31,94	22	31,72	2,02	2,36		
14,60	39	14,21	31,72	25	31,47	1,18	2,36		
14,73	42	14,31	36,24	46	35,78	1,38	2,65		
11,58	15	11,43	31,76	46	31,30	1,37	2,50		
10,23	19	10,04	27,91	34	27,57	1,49	2,85		
13,99	19	13,80	33,02	47	32,55	1,09	2,55		
13,54	18	13,36	32,31	47	31,84	1,18	2,47		
12,81	20	12,61	31,36	56	30,80	72	2,94		
12,97	17	12,80	31,23	1,10	30,13	73	2,29		
12,14	14	12,00	30,56	42	30,14	73	2,33		
9,77	14	9,63	27,45	20	27,25	88	5,06		
10,29	14	10,15	27,41	19	27,22	1,04	5,02		
9,88	15	9,73	27,30	22	27,08	81	4,89		
10,31	21	10,10	28,39	31	28,08	1,08	3,61		
9,97	16	9,81	28,15	24	27,91	1,02	3,30		
9,97	23	9,74	28,37	46	27,91	70	3,12		
10,23	19	10,04	27,91	34	27,57	1,49	2,85		
8,70	20	8,50	27,39	37	27,02	62	2,96		
8,68	18	8,50	27,29	41	26,88	49	2,76		
8,49	18	8,31	27,74	50	27,24	53	3,08		
8,59	17	8,42	27,68	46	27,22	46	2,83		
10,27	22	10,05	28,70	40	28,30	92	2,80		
10,49	24	10,25	29,31	49	28,82	82	2,83		
10,58	22	10,36	28,64	49	28,15	56	2,73		
10,47	20	10,27	28,05	43	27,62	75	2,43		
10,09	24	9,85	27,99	45	27,54	61	2,58		

## STATEMENT 22—NON-SCHEDULED BANKS—

ASS

Total (c)	CASH IN HAND AND BALANCES WITH RESERVE BANK				Balances with Agent of Reserve Bank & other banks in current account	Money at call and short notice	BANK	
	Total	Cash in hand	Balances with Reserve Bank	18			Total	Advances
	15	16	17	19			20	21
<b>Average of last Fridays</b>								
1955-56	..	82.23	4.51	4.49	3	2.66	2.36	38.83
1956-57	..	86.87	4.83	4.81	2	2.57	1.86	41.91
1957-58	..	75.66	4.17	4.16	2	2.45	1.79	33.72
1958-59	..	59.15	3.51	3.50	1	2.83	1.75	31.91
1959-60	..	60.16	3.62	3.61	1	3.26	1.82	31.43
1960-61	..	60.09	3.53	3.52	1	3.45	1.58	31.12
1961-62*	..	55.06	3.04	3.03	1	3.20	1.60	27.79
		43.97	2.75	2.74	1	2.56	1.58	24.82
<b>Last Friday</b>								
1955-56	..	84.43	4.67	4.66	1	2.37	.76	41.71
1956-57	..	89.90	4.66	4.65	1	2.22	1.92	45.18
1957-58	..	60.00	3.51	3.50	1	2.44	.85	33.05
1958-59	..	57.58	3.55	3.54	1	2.66	1.61	30.70
1959-60	..	62.41	3.87	3.86	1	3.08	1.43	34.12
1960-61	..	53.99	3.22	3.21	1	2.55	.55	29.31
1961-62	..	43.36	2.96	2.95	1	2.46	1.18	25.38
April	1961	..	57.66	3.42	3.40	2	3.40	1.31
May		..	56.41	3.18	3.17	1	2.99	1.45
June		..	54.81	3.18	3.17	1	3.19	1.32
July		..	54.05	2.89	2.79	1	3.04	2.09
August		..	52.36	2.63	2.62	1	3.37	1.80
September		..	49.40	2.61	2.60	1	2.30	1.89
October		..	50.13	2.66	2.65	1	3.43	1.71
November		..	49.08	2.69	2.67	2	2.35	1.76
December		..	49.45	3.30	3.29	1	2.78	1.56
January	1962	..	48.32	2.43	2.47	1	2.27	1.35
February		..	48.03	2.56	2.55	1	2.35	1.69
March		..	48.36	2.96	2.95	1	2.46	1.18
April		..	45.70	2.44	2.43	1	2.62	1.28
May		..	45.23	2.49	2.47	2	2.53	1.42
June		..	45.93	2.42	2.40	2	2.53	1.63
July		..	45.60	2.28	2.25	2	2.40	1.52
August		..	48.29	2.53	2.51	2	2.32	1.99
September		..	49.68	2.66	2.64	2	2.69	2.40
October		..	48.58	2.57	2.55	2	2.67	2.46
November		..	47.72	2.62	2.61	1	2.54	1.53
December		..	47.22	2.90	2.88	2	3.11	1.81

Note: Compiled from the information supplied in Form XIII under the Banking Companies Act, 1949. Data from September 1961 being on a revised basis, are not strictly comparable with those for the earlier period.

## LIABILITIES AND ASSETS IN INDIA—(Contd.)

(Amount in lakhs of Rupees)

ETS

CREDIT

Bills purchased and discounted	Due from banks	INVESTMENTS			Other assets	16	21	25	
		Total	Central Government (c)	State Governments					
23	24	25	26	27	28	29	30	31	32
2,46	7	29,30	16,66	6,80	5,84	4,52	6,9	59,5	44,9
2,92	6	31,09	15,32	8,99	6,78	4,56	7,0	60,5	44,9
2,55	4	24,25	10,35	8,06	5,84	4,23	7,0	64,7	40,5
1,75	1	16,26	6,13	5,78	4,34	3,88	7,5	66,4	34,9
1,64	1	16,03	5,58	5,35	5,10	4,03	7,5	64,8	33,1
1,41	1	16,46	5,54	5,92	4,99	3,94	7,3	64,2	34,0
1,06	1	15,64	5,05	6,12	4,47	3,79	6,9	63,1	35,5
1,01	2	13,44	3,79	6,19	3,46	3,79	7,3	66,3	35,9
3,17	6	30,32	16,65	7,97	5,70	4,51	7,0	62,4	45,4
3,42	4	31,52	14,33	10,15	7,04	4,36	6,5	63,4	44,2
1,88	1	16,11	6,51	5,90	3,70	4,03	7,6	71,2	34,7
1,82	1	15,19	5,68	5,38	4,13	3,64	7,8	67,2	33,3
1,95	1	15,98	5,71	5,44	4,83	3,92	7,7	68,1	31,9
1,29	2	14,80	4,63	6,14	4,03	3,74	7,5	61,1	34,6
98	3	12,73	3,53	6,06	3,14	3,62	7,9	67,5	33,8
1,12	1	16,15	5,56	6,11	4,48	4,02	7,4	63,3	34,8
1,12	—	15,91	5,37	6,00	4,54	3,80	7,0	64,3	35,2
96	—	15,58	4,90	6,09	4,59	3,91	7,3	63,6	35,9
98	1	15,44	4,97	6,12	4,35	3,81	6,5	62,6	36,0
1,10	1	15,11	4,43	6,30	4,38	3,41	6,2	61,8	35,9
1,01	3	14,29	4,19	6,00	4,10	3,59	7,1	67,2	33,7
1,11	3	13,95	4,06	6,25	3,64	3,37	7,1	66,8	37,3
1,14	2	13,60	4,04	6,26	3,30	3,92	7,3	67,2	36,9
80	2	13,07	3,56	6,29	3,22	4,20	8,6	64,2	34,2
1,06	1	13,19	3,56	6,23	3,40	4,00	6,6	66,3	35,0
1,00	3	13,22	3,58	6,25	3,39	3,82	6,8	64,7	35,1
98	3	12,73	3,53	6,06	3,14	3,62	7,9	67,5	33,8
1,09	2	12,44	2,82	6,03	3,59	3,19	6,9	66,8	35,0
97	—	12,44	2,83	5,97	3,64	3,19	7,0	65,6	35,2
92	—	12,72	2,79	6,01	3,92	3,38	6,8	63,4	35,8
93	—	12,90	2,79	6,01	4,10	3,37	6,4	64,9	36,2
95	2	13,61	3,38	6,35	3,88	3,94	6,6	62,3	35,5
90	1	14,12	3,55	6,62	3,95	4,05	6,8	60,8	36,1
99	1	14,10	3,46	6,51	4,13	3,81	6,7	59,6	36,6
94	—	14,34	3,42	6,62	4,30	3,76	6,9	60,3	37,8
81	—	14,55	3,37	6,58	4,60	3,55	7,8	57,0	38,9

(a) As the data relate only to areas to which the Banking Companies Act extended, the total liabilities do not agree with the total assets. (b) Excluding banks incorporated outside Indian Union. (c) Including Treasury bills and Treasury deposit receipts.

\* The figures above the line are averages of five months from April 1961 to August 1961 and those below are averages of seven months from September 1961 to March 1962.

**STATEMENT 23—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH  
THE RESERVE BANK OF INDIA**

(Amount in lakhs of Rupees)

**REPORT ON CURRENCY AND FINANCE, 1962-63**

Number of report- ing banks	DEMAND AND TIME LIABILITIES										Borrowings from State Bank and/or a notified bank							
	Aggregate deposits ( <i>a</i> ) ( <i>b</i> + <i>c</i> )	DEMAND			TIME				Deposits from inter- bank <i>b</i>	Deposits from Other banks <i>c</i>	Deposits from Other banks <i>d</i>	Borrow- ings from Other banks <i>e</i>	Borrow- ings from Reserve Bank <i>f</i>	Total borrow- ings <i>g</i>	Demand Time Total borrow- ings <i>h</i>			
		Total	Deposits from inter- bank	Others from bank	Total	Deposits from inter- bank	Others from bank	Total										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
Average of Friday figures																		
1950-51	17,20	9,42	1,44	8,09	10,02	91	9,11	11,22	19	19 (f)								
1955-56	25,83	10,76	2,32	10,43	15,44	3	15,41	17,10	18,61	70	58							
1956-57	30,91	11,95	1,03	12,92	17,11	10	17,70	30,30	1,58	97	61							
1957-58	33,16	16,51	1,05	15,46	17,80	2	21,54	46,80	6,71	31	36							
1958-59	40,14	20,18	1,39	18,79	21,37	2	21,34	67,60	6,56	5,61	95							
1959-60	40,88	23,36	1,96	21,34	25,54	36	22,61	31,52	28	88,91	7,61	6,04	1,56					
1960-61	51,66	22,97	7,06	13,66†	79†	13,19†	18,01†	3,71†	20,15	6	2,68	114,03	4,96	4,51				
1961-62	36,45	25,21	7,69	16,29	20	82	38,56	15,68	20,15	—	2,79	134,27	3,33	3,52	1,81			
1962-63	40,34	28,06	9,18	17,93	12	83	42,42	17,22	22,41	—	—	—	—	—	—			
At the close of last Friday																		
1950-51	7	17,77	9,81	1,04	8,77	10,11	1,11	9,00	—	16,56	13,20	16	16	—				
1955-56	17	25,49	12,49	3,77	11,93	16,56	—	17,15	22,28	5,4	43	43						
1956-57	18	31,00	15,59	74	14,85	17,32	17	19,00	35,01	81	53	28						
1957-58	16	36,03	19,66	1,64	17,02	19,03	3	21,11	49,72	42	19	23						
1958-59	16	41,51	19,50	1,11	18,39	23,13	—	—	25,41	75,17	8,00	5,67	2,33					
1959-60	20	48,38	24,57	1,59	22,98	25,41	—	37,33	14,93	19,32	—	3,07	88,29	1,44	2,26	1,18		
1960-61	20	34,93	25,95	9,45	15,61	—	40	36,99	14,36	20,22	—	2,92	122,77	1,47	3,77	1,10		
1961-62	19	30,29	29,02	9,93	18,08	10,62	18,66	—	41,01	13,91	23,99	—	2,91	134,18	5,46	3,81	1,63	
1962-63	19	42,65	30,34	10,62	—	—	—	—	—	—	—	—	—	—	—			
1962-63 (Weekly) Friday figures																		
April	6	19	30,23	29,89	10,21	18,65	—	1,02	37,87	14,44	20,53	—	2,84	120,49	1,34	2,4	1,10	
May	13	19	30,04	29,53	9,52	18,10	14	1,12	38,72	13,29	20,64	—	2,80	116,57	1,20	20	1,00	
20	19	39,40	29,67	9,94	18,74	4	39,10	15,13	20,66	—	3,11	115,76	1,27	27	1,00			
27	19	39,16	29,85	10,03	18,10	10	9,92	40,40	16,62	20,46	—	3,42	114,06	1,17	17	1,00		
May	4	19	40,26	—	9,51	12,32	—	—	40,41	16,93	20,94	—	3,85	113,79	1,20	20	1,00	
11	19	40,21	30,81	10,62	18,66	11	—	40,83	16,92	21,03	—	3,91	114,54	1,20	20	1,00		
18	19	40,21	30,81	10,62	18,66	11	—	40,83	16,92	21,03	—	3,91	114,54	1,20	20	1,00		

Year	Month	1965	January	February	March	April	May	June	July	August	September	October	November	December	January
"	"	39.65	28.87	29.36	30.15	30.23	30.23	30.23	30.15	30.15	30.15	30.15	30.15	30.15	30.15
"	"	39.59	9.98	17.99	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15
"	"	39.23	27.97	9.49	17.54	11.38	17.83	8	17.83	17.83	17.83	17.83	17.83	17.83	17.83
"	"	39.80	30.23	11.23	18.89	15.27	18.89	—	18.89	18.89	18.89	18.89	18.89	18.89	18.89
"	"	40.16	35.57	15.72	13.92	18.36	18.36	5	18.36	18.36	18.36	18.36	18.36	18.36	18.36
"	"	40.39	40.39	32.11	12.19	19.05	—	87	44.17	44.17	44.17	44.17	44.17	44.17	44.17
"	"	40.58	40.58	28.54	9.57	17.92	10.79	18.42	1.33	88	46.91	46.91	46.91	46.91	46.91
"	"	40.29	40.29	31.42	10.58	17.94	10.58	17.94	1.32	92	48.82	48.82	48.82	48.82	48.82
"	"	39.89	30.77	27.07	8.74	17.44	—	86	43.35	17.76	22.63	22.63	22.63	22.63	22.63
"	"	39.82	30.92	10.69	18.11	14.44	87	49.09	21.57	21.71	21.71	21.71	21.71	21.71	21.71
"	"	39.21	30.20	10.27	17.75	1.19	1.19	48.78	23.14	21.47	21.47	21.47	21.47	21.47	21.47
"	"	39.48	29.19	16.31	17.95	1.7	87	48.90	21.21	21.53	21.53	21.53	21.53	21.53	21.53
"	"	39.63	28.54	9.57	17.92	19	86	48.90	22.97	21.70	21.70	21.70	21.70	21.70	21.70
"	"	39.81	27.07	8.74	17.44	3	86	43.35	18.65	21.37	21.37	21.37	21.37	21.37	21.37
"	"	39.84	27.03	5.92	17.21	5	86	43.35	17.76	22.63	22.63	22.63	22.63	22.63	22.63
"	"	40.19	27.32	9.67	17.77	2	86	43.53	17.83	22.84	22.84	22.84	22.84	22.84	22.84
"	"	40.12	28.21	9.66	17.73	—	82	43.78	18.32	22.63	22.63	22.63	22.63	22.63	22.63
"	"	40.35	40.35	26.70	8.44	17.44	—	82	42.89	18.24	22.64	22.64	22.64	22.64	22.64
"	"	40.97	39.94	27.09	8.67	17.54	—	88	42.43	17.61	22.40	22.40	22.40	22.40	22.40
"	"	40.47	27.36	9.06	17.46	—	84	43.44	17.78	23.01	23.01	23.01	23.01	23.01	23.01
"	"	41.13	26.85	8.13	17.89	—	83	43.36	17.45	21.24	21.24	21.24	21.24	21.24	21.24
"	"	40.62	26.44	8.06	17.69	—	77	42.65	17.12	23.01	23.01	23.01	23.01	23.01	23.01
"	"	41.24	26.48	7.88	17.81	—	80	42.56	16.87	22.43	22.43	22.43	22.43	22.43	22.43
"	"	41.53	27.70	8.40	18.55	—	75	41.03	16.43	22.99	22.99	22.99	22.99	22.99	22.99
"	"	40.74	26.24	7.74	17.70	—	78	41.93	16.66	23.04	23.04	23.04	23.04	23.04	23.04
"	"	40.42	25.80	7.67	17.38	—	74	42.15	16.77	21.04	21.04	21.04	21.04	21.04	21.04
"	"	40.24	25.51	7.85	16.95	—	72	41.87	16.19	23.29	23.29	23.29	23.29	23.29	23.29
"	"	39.83	25.36	7.67	16.97	—	72	41.13	15.80	22.86	22.86	22.86	22.86	22.86	22.86
"	"	40.61	23.88	7.56	17.62	—	71	41.27	15.72	23.00	23.00	23.00	23.00	23.00	23.00
"	"	41.53	26.77	7.68	18.39	—	70	41.26	15.80	23.14	23.14	23.14	23.14	23.14	23.14
"	"	40.86	40.86	24.39	6.33	17.35	17.41	—	—	73	41.29	15.61	23.13	23.13	23.13
"	"	41.25	41.25	25.91	7.09	18.07	17.36	—	69	40.75	14.70	23.49	23.49	23.49	23.49
"	"	41.06	26.07	7.71	17.61	—	73	40.97	14.51	23.17	23.17	23.17	23.17	23.17	23.17
"	"	41.34	25.71	7.14	17.84	—	75	40.24	14.25	23.45	23.45	23.45	23.45	23.45	23.45
"	"	41.06	26.34	7.53	18.04	—	75	39.95	14.08	23.50	23.50	23.50	23.50	23.50	23.50
"	"	41.15	26.31	7.69	17.90	—	72	40.19	14.14	23.25	23.25	23.25	23.25	23.25	23.25
"	"	41.04	26.72	8.06	17.93	—	73	40.75	14.70	23.17	23.17	23.17	23.17	23.17	23.17
"	"	40.87	26.43	7.96	17.71	—	75	40.97	14.47	23.10	23.10	23.10	23.10	23.10	23.10
"	"	40.37	26.26	8.26	17.21	—	79	39.67	13.80	23.16	23.16	23.16	23.16	23.16	23.16
"	"	27.91	27.91	9.62	17.52	—	77	40.33	14.48	23.18	23.18	23.18	23.18	23.18	23.18
"	"	42.65	36.34	10.62	18.66	—	1.05	41.01	15.01	23.99	23.99	23.99	23.99	23.99	23.99

[For footnotes, please see end of the Statement.]

**STATEMENT 23—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH  
THE RESERVE BANK OF INDIA—(Contd.)**

(Amount in lakhs of Rupees)

	Borrowings from the Reserve Corporation for Industry	ASSETS										Bank credit						
		Cash in hand and balances with Reserve Bank			Balances in other banks in Reserve Bank account			Investments in Government securities (d)			Total (e)		Advances		Due from banks		Bills purchased and discounted	
		Total	Cash	In hand	With Reserve Bank	In Reserve Bank account	Government	Securities	at call and short notice	24	25	26	27	28	29	30	31	
Average of Friday figures		97	49	48	85	11.28	2.57	12.16	7,59	2,57	5,6	5/.	5/.	5/.	70.7	87.3		
(1950-51)	1,41	74	67	85	14.58	3.64	32.43	25.73	17.70	4.85	5.5	4.85	5.5	5/.	5/.	5/.		
1955-56	1,59	82	77	1.52	14.15	4.30	46.98	36.63	10.33	6.70	5.3	4.96	4.96	4.96	103.0	141.7		
1956-57	1,66	84	82	1.52	14.15	6.47	63.49	49.87	13.62	4.6	4.6	4.6	4.6	4.6	158.7	190.8		
1957-58	1,85	76	109	1.80	16.34	9.40	89.43	70.63	18.80	4.4	4.4	4.4	4.4	4.4	220.0	220.0		
1958-59	2,06	76	1.30	2.50	19.17	9.76	118.49	101.73	16.76	3.9	3.9	3.9	3.9	3.9	—	—		
1959-60	2,12	69	1.43	3.13	20.92	9.76	118.49	101.73	16.76	3.9	3.9	3.9	3.9	3.9	—	—		
(1960-61)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
1961-62	51	215	61	1.55	3.42	22.24	9.78	147.40	147.35	3.01	6	5.9	61.0	60.4	60.4	404.4	433.8	
1962-63	68	244	60	1.74	3.12	24.85	12.46	175.01	174.89	3.01	12	5.8	61.6	61.6	61.6	404.4	433.8	
As at the close of last Friday		1,06	58	.50	1.59	13.76	2.99	13.86	10.67	3.19	7.1	7.1	7.1	7.1	7.1	73.0	89.0	
(1950-51)	2,02	95	1.07	2.85	14.37	3.03	35.46	26.28	9.18	6.10	6.6	46.5	46.5	46.5	110.8	142.7		
1955-56	2.10	107	1.03	2.11	14.26	6.71	51.19	39.08	12.11	6.6	6.6	39.6	39.6	39.6	161.5	200.8		
1956-57	2.19	90	1.49	1.86	17.10	8.01	67.03	50.05	16.99	4.5	4.5	4.5	4.5	4.5	177.7	185.5		
1957-58	1.88	88	1.00	2.53	19.14	8.84	97.47	76.02	21.15	5.5	5.5	5.5	5.5	5.5	—	—		
1958-59	2.82	1.31	1.51	1.59	4.39	21.78	10.15	62.08	61.99	62.40	9	7.4	62.3	62.3	62.3	420.4	423.8	
1959-60	—	—	2.60	1.01	3.62	21.78	10.57	160.97	160.93	2	4	6.1	60.8	60.8	60.8	—	—	
1960-61	45	235	61	1.73	3.62	21.78	26.09	16.00	182.90	132.85	2	6	6.7	61.2	61.2	—	—	
1961-62	—	—	237	69	2.18	3.83	—	—	—	—	—	—	—	—	—	—	—	
1962-63 (Weekly) 1962	125	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
1962-63 (Weekly) 1962	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
April	6	45	210	64	1.45	4.66	23.27	12.36	159.19	159.14	—	—	—	—	—	39.3	401.2	
May	13	45	206	64	1.52	3.78	21.29	10.12	154.49	154.43	5	5	5	5	5	59.7	395.2	
June	27	45	1.93	1.39	2.74	2.54	12.75	12.75	154.15	154.11	5	4	4	4	4	59.0	390.7	
July	45	213	35	3.57	3.57	14.01	152.86	152.86	5	3	5	5	5	5	5	379.5	385.5	
August	11	45	212	57	1.54	21.24	14.03	152.71	152.71	4	8	5.3	5.3	5.3	5.3	5.3	396.9	396.9
September	45	212	55	1.57	21.24	14.03	152.71	152.71	4	7	5	5	5	5	5	396.9	396.9	
October	45	1.77	46	1.21	2.97	21.24	14.03	152.71	152.71	4	7	5	5	5	5	5	396.9	
November	45	1.77	46	1.21	2.97	21.24	14.03	152.71	152.71	4	7	5	5	5	5	5	396.9	
December	45	1.77	46	1.21	2.97	21.24	14.03	152.71	152.71	4	7	5	5	5	5	5	396.9	

Computed from information supplied under Section 44 of the Reserve Bank of India Act. This Statement has been recast to show separate figures of inter-bank transactions in respect of deposits and advances and borrowings from the Refinance Corporation for industry which are available since January 6, 1961. (a) Figures above the line relate to aggregate liabilities. (b) Figures above the line correspond to the total of columns 4, 5 and 7. (c) Figures above the line correspond to the total of columns 9, 10 and 12. (d) At book value; includes Treasury bills and Treasury deposit receipts. (e) Ratios above the line include those in banks' also. (f) Average of 51 weeks.

**STATEMENT 24—RESERVES OF SCHEDULED BANKS AND STATE CO-OPERATIVE BANKS WITH THE RESERVE BANK OF INDIA**

Last week	All Scheduled Banks		Indian Scheduled Banks		Foreign Banks		State Co-operative Banks	
	Statutory minimum		Excess		Statutory minimum		Excess	
	1	2	3	4	5	6	7	8
1950-51	..	36,577	21,738	29,222	16,738	7,35	5,00	15
1951-52	..	40,09	8,81	32,30	6,39	7,79	2,22	59
1952-53	..	44,38	6,56	36,48	4,41	7,90	2,15	60
1953-54	..	51,56	13,73	42,75	9,38	8,81	4,36	1,17
1954-55	..	55,44	8,11	47,45	6,61	8,00	1,50	1,13
1955-56	..	64,83	14,13	55,98	10,43	8,85	3,69	87
1956-57	..	62,69	12,67	54,02	11,01	8,67	1,67	1,02
1957-58	..	67,49	6,07	58,63	4,41	8,86	1,66	98
1958-59	..	66,36	7,61	57,86	5,77	8,50	1,84	117
1959-60	..	66,36	7,61	57,86	5,77	8,50	1,84	121
1960-61	..	67,49	6,07	58,63	4,41	8,86	1,66	98
1961-62	..	66,36	7,61	57,86	5,77	8,50	1,84	117
1962-63	..	66,36	7,61	57,86	5,77	8,50	1,84	121
April	1961	64,13	13,14	55,55	10,05	8,81	3,08	78
May	"	64,13	13,14	54,89	9,76	9,24	2,67	67
June	"	64,17	19,68	55,14	16,11	9,23	3,58	1,17
July	"	64,64	20,05	55,56	17,82	9,03	2,23	1,06
August	"	64,90	26,89	55,34	23,21	9,56	3,68	1,04
September	"	64,52	13,43	53,48	10,46	9,03	2,97	1,01
October	"	65,29	13,99	56,17	10,93	9,12	3,06	1,00
November	"	65,03	17,36	55,95	14,93	9,03	2,41	48
December	"	65,21	17,59	55,91	13,69	9,30	3,90	98
January	1962	66,82	12,56	57,42	9,79	9,39	2,77	97
February	"	66,72	8,74	57,64	6,66	9,08	2,07	53
March	"	67,49	6,07	58,63	4,41	8,86	1,66	49
April	"	70,62	11,10	61,40	8,41	9,22	2,69	55
May	"	70,49	13,02	61,50	10,91	8,99	2,11	113
June	"	70,85	26,18	61,46	21,43	9,39	4,75	1,34
July	"	71,25	33,92	61,00	21,67	9,25	6,25	2,46
August	"	72,31	16,69	62,80	14,24	9,52	2,45	111
September	"	66,13	15,99	55,53	13,25	8,60	2,74	66
October	"	66,77	14,25	58,25	12,38	8,52	1,87	80
November	"	66,48	9,03	57,87	7,53	8,71	1,50	55
December	"	66,25	11,14	58,64	8,30	8,76	2,63	59
January	1963	66,60	10,48	57,72	8,16	8,67	2,33	82
February	"	66,36	7,61	57,86	5,77	8,87	2,12	1,05
March	"	66,36	7,61	57,86	5,77	8,50	1,84	68

## STATEMENT 25—MONEY RATES

(Per cent per annum)

## RESERVE BANK OF INDIA

Bank rate	ADVANCES TO SCHEDULED BANKS <sup>a</sup>				ADVANCES TO STATE CO-OPERATIVE BANKS					Medium- term loans for agricul- tural purposes [Sec. 17 (4) (AA)]
	For general banking purposes [Sec. 17 (4) (a)]	For bonafide commercial purposes [Sec. 17 (4) (b)]	For general banking purposes [Sec. 17 (4) (c)]	For bonafide commercial purposes [Sec. 17 (4) (d)]	For seasonal financing of agri- cultural operations and market- ing of crops [Sec. 17 (4) (e)]	For co-opera- tive factories [Sec. 17 (2)(b) or (4) (c)]	For sugar factories [Sec. 17 (2)(b) or (4) (c)]	For cottage industries [Sec. 17 (2)(b) or (4) (c)]	For hand- loom [Sec. 17 (2)(b)]	
	1	2	3	4	5	6	7	8	9	
1955-56	..	3½	3½	3½ (a)	3½	1½		2(b)	1½	
1956-57	..	3½	3½-4(d)	3½-3½(e)	3½-4(f)	1½		2	1½	
1957-58	..	3½-4(g)	4	3½-4(h)	4	1½-2(g)	3½-4(g)	2-2½(g)	1½-2(g)	
1958-59	..	4	4	4	4	2	4	2½	2	
1959-60	..	4	4	4	4	2	4	2½	2	
1960-61	..	4	4	4	4	2	4	2½	2-2½(l)	
1961-62	..	4	4	4	4	2	4	2½	2½	
1962-63	..	4-4½(m)	4-4½(m)	4-4½(m)	4-4½(m)	2-2½(m)	4-4½(m)	2½-3(m)	2½-3(m)	
April 1962	..	4	4	4	4	2	4	2½	2½	
May "	..	4	4	4	4	2	4	2½	2½	
June "	..	4	4	4	4	2	4	2½	2½	
July "	..	4	4	4	4	2	4	2½	2½	
August "	..	4	4	4	4	2	4	2½	2½	
September "	..	4	4	4	4	2	4	2½	2½	
October "	..	4	4	4	4	2	4	2½	2½	
November "	..	4	4	4	4	2	4	2½	2½	
December "	..	4	4	4	4	2	4	2½	2½	
January 1963	..	4-4½(m)	4-4½(m)	4-4½(m)	4-4½(m)	2-2½(m)	4-4½(m)	2½-3(m)	2½-3(m)	
February "	..	4½	4½	4½	4½	2½	4½	3	3	
March "	..	4½	4½	4½	4½	2½	4½	3	3	

## STATE BANK OF INDIA

	CALL LOAN				DEPOSITS AT NOTICE OR 7 DAYS				FIXED DEPOSITS				
	Hundi rate	Ad- vance rate	Sche- duled banks <sup>a</sup>	Co-ope- rativ e banks	Bom- bay	Cal- cutta	Mad- ras	Bom- bay	Cal- cutta	Mad- ras	Bom- bay	Cal- cutta	Mad- ras
	10	11	12	13	14	15	16	17	18	19	20	21	22
1955-56	..	4½-5(c)	4	3½	3½	@	1-5½	@	1-50	1-49	@	@	@
1956-57	..	5½-5½(d)	4-4½(d)	3½-4(d)	3½-3½(e)	2-75	2-89	@	1-50	1-84	2-67	3-00	1-00
1957-58	..	5½-5½(x)	4½-4½(y)	4	3½-4(z)	1-95	2-70	@	2-61	2-93	2-50	@	3-00
1958-59	..	5½-5½(j)	4	4	4	1-94	2-50	3-00	2-47	2-59	2-50	2-50	2-50
1959-60	..	5½	4½	4	4	1-84	2-50	2-50	2-17	2-50	2-50	@	2-50
1960-61	..	5½-6½(k)	4½-5	4-6(l)	4-4½(l)	1-86	2-38	1-53	2-15	2-50	2-50	2-50	@
1961-62	..	6½	5	6	4½	2-88	2-54	@	2-21	2-56	2-50	2-75	3-25
1962-63	..	6½-7(n)	5	6-6½	4½	3-00	2-62	@	2-14	@	3-25	@	@
April 1962	..	6½	5	6	4½	3-00	3-00	@	2-14	@	@	@	@
May "	..	6½	5	6	4½	@	2-50	@	2-22	@	@	@	@
June "	..	6½	5	6	4½	3-00	2-92	@	2-12	@	@	@	@
July "	..	6½	5	6	4½	3-00	@	@	2-12	@	@	@	@
August "	..	6½	5	6	4½	3-00	2-75	@	2-12	@	@	@	@
September "	..	6½	5	6	4½	3-00	@	@	2-12	@	@	@	@
October "	..	6½	5	6	4½	3-00	3-00	@	2-11	@	@	3-25	@
November "	..	6½	5	6-6½	4½	3-00	@	2-11	@	@	@	@	@
December "	..	6½	5	6½	4½	2-95	@	3-00	@	2-12	@	@	@
January 1963	..	6½-7(n)	5	6½	4½	2-95	@	2-50	@	2-00	@	@	@
February "	..	7	5	6½	4½	@	2-50	@	2-16	@	@	@	@
March "	..	7	5	6½	4½	@	2-50	@	2-50	@	@	@	@

[For footnotes, please see end of the Statement.]

## STATEMENT 25—MONEY RATES—(Contd.)

(Per cent per ann<sup>um</sup>)

STATE BANK OF INDIA—(Contd.)												OTHER SELECTED MAJOR SCHEDULED BANKS			
FIXED DEPOSITS—(Contd.)												CALL MONEY FROM BANKS			
	3 months			6 months			12 months			Bombay	Calcutta	Madras	Bombay	Calcutta	Madras
	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	23	24	25	26	27	28
1955-56	..	2.46	1.45	..	..	..	1.50	1.50	1.50	2.75	3.16	2.93			
1956-57	..	2.58	1.83	2.70	2.00	1.56	2.00	1.84	1.86	1.79	3.22	3.60	3.49		
1957-58	..	2.72	2.58	3.00	2.00	2.00	2.50	2.50	2.50	3.07	3.08	3.14			
1958-59	..	2.55	2.57	2.56	2.00	2.00	2.00	2.50	2.50	2.50	2.81	2.96	2.98		
1959-60	..	2.41	2.42	2.48	2.00	2.00	2.00	2.50	2.50	2.50	2.86	2.86	3.35		
1960-61	..	2.38	2.23	2.41	2.32	2.35	2.51	2.62	2.61	2.70	4.24	4.30	3.74		
1961-62	..	3.01	3.19	..	3.26	3.25	3.25	3.50	3.50	3.50	4.24	4.14	4.07		
1962-63	..	3.07	3.37	..	3.25	3.25	3.25	3.50	3.50	3.50	4.16	3.83	3.66		
April 1962	..	3.00	..	..	3.25	3.25	3.25	3.50	3.50	3.50	4.19	4.01	3.99		
May	..	3.00	..	..	3.25	3.25	3.25	3.50	3.50	3.50	3.70	3.64	3.81		
June	..	3.42	3.37	..	3.25	3.25	3.25	3.50	3.50	3.50	2.85	3.01	3.25		
July	..	3.00	..	..	3.25	3.25	3.25	3.50	3.50	3.50	1.80	2.03	1.80		
August	..	3.00	..	..	3.25	3.25	3.25	3.50	3.50	3.50	2.20	2.66	2.00		
September	..	..	..	..	3.25	3.25	3.25	3.50	3.50	3.50	4.15	4.79	4.45		
October	..	3.00	..	..	3.25	3.25	3.25	3.50	3.50	3.50	3.14	3.54	3.26		
November	..	3.00	..	..	3.25	3.25	3.25	3.50	3.50	3.50	3.11	3.05	3.74		
December	..	2.75	..	..	3.25	3.25	3.25	3.50	3.50	3.50	5.00	4.98	4.59		
January 1963	..	3.00	..	..	3.25	3.25	3.25	3.50	3.50	3.50	4.86	4.38	4.30		
February	..	2.97	..	..	3.25	3.25	3.25	3.50	3.50	3.50	5.84	4.67	4.33		
March	..	..	..	..	3.25	3.25	3.25	3.50	3.50	3.50	6.22	6.19	6.17		

## OTHER SELECTED MAJOR SCHEDULED BANKS—(Contd.)

	DEPOSITS AT NOTICE OF 7 DAYS						FIXED DEPOSITS					
				1 month						2 months		
	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras
	35	36	37	38	39	40	41	42	43			
1955-56	..	2.97	1.32	2.98	2.93	2.05	2.50	3.00	2.02			
1956-57	..	3.53	2.23	3.50	3.63	2.97	2.85	3.62	2.95			
1957-58	..	4.10	2.88	3.86	4.23	4.20	3.10	4.30	4.19			
1958-59	..	3.80	3.27	3.34	3.90	3.97	3.25	3.48	3.37			
1959-60	..	3.51	3.41	3.15	3.45	3.43	3.20	4.13	3.67			
1960-61	..	3.07	2.81	2.79	3.29	3.25	3.16	3.31	3.31			
1961-62	..	3.03	3.00	3.00	3.00	3.00	3.00	3.25	3.25			
1962-63	..	2.97	2.87	2.59	3.00	3.00	3.00	3.25	3.25			
April 1962	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
May	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
June	..	3.00	2.91	3.00	3.00	3.00	..	3.25	..			
July	..	2.88	2.84	2.93	3.00	3.00	..	3.25	..			
August	..	3.00	2.64	2.32	3.00	3.00	..	3.25	..			
September	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
October	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
November	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
December	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
January 1963	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
February	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			
March	..	3.00	3.00	3.00	3.00	3.00	..	3.25	..			

## STATEMENT 25—MONEY RATES—(Concl.)

(Per cent per annum)

## OTHER SELECTED MAJOR SCHEDULED BANKS—(Concl.)

## FIXED DEPOSITS—(Contd.)

BAZAAR BILL RATE @@

		3 months				6 months				12 months				
		Bom- bay 44	Cal- cutta 45	Mad- ras 46	Bom- bay 47	Cal- cutta 48	Mad- ras 49	Bom- bay 50	Cal- cutta 51	Mad- ras 52	Bom- bay 53	Cal- cutta 54	Mad- ras 55	
1955-56		..	2.99	2.03	2.56	3.00	2.55	2.51	2.55	2.05	2.58	10 <sup>1</sup>	10 <sup>1</sup> -11	12
1956-57	Apr.-Nov. Dec.-Mar.	..	3.63	3.15	2.66	3.63	2.86	2.78	3.03	2.88	2.92	10 <sup>1</sup> -11 <sup>1</sup>	10 <sup>1</sup> -11	12
1957-58	..	..	4.31	4.16	3.07	4.12	3.78	3.05	3.63	3.15	3.08	9 <sup>1</sup> -11 <sup>1</sup>	9 <sup>1</sup> -11 <sup>1</sup>	12 <sup>1</sup> -12 <sup>1</sup> /**
1958-59	..	..	4.09	3.80	3.15	4.06	3.63	3.29	3.59	3.25	3.15	8 <sup>1</sup> -10 <sup>1</sup>	9 <sup>1</sup> -11 <sup>1</sup>	12 <sup>1</sup> /**
1959-60	..	..	3.65	3.60	3.00	3.58	3.38	3.25	3.53	3.08	3.09	9 <sup>1</sup> -11 <sup>1</sup>	9 <sup>1</sup> -10 <sup>1</sup>	12 <sup>1</sup> -12 <sup>1</sup> /**
1960-61	..	..	3.50	3.47	3.39	3.49	3.41	3.44	3.44	3.20	3.28	9.00-10 <sup>1</sup>	9.50-10 <sup>1</sup>	12.00-13.00/13.92
1961-62	..	..	3.50	3.43	3.47	3.75	3.71	3.74	3.98	3.95	3.98	10.50-12.50	12.00-13.50	13.92
1962-63	..	..	3.47	3.50	3.44	3.75	3.72	3.75	3.99	3.99	3.98	10.50-12.50	12.00-13.00	13.92-15.00
April	1962	..	3.50	3.50	@	3.75	3.64	3.75	4.00	3.99	4.00	12.00	12.50	13.92
May	"	..	3.25	3.50	3.50	3.75	3.75	3.75	4.00	3.91	4.00	12.00	12.50	13.92
June	"	..	3.25	3.50	3.43	3.75	3.75	3.75	4.00	4.00	3.87	12.00	12.50	13.92
July	"	..	3.50	@	@	3.75	3.75	3.72	4.00	4.00	3.96	12.00	12.50	13.92
August	"	..	3.50	@	3.50	3.75	3.63	3.75	4.00	4.00	4.00	10.50-12.50	12.00	13.92
September	"	..	@	3.50	@	3.75	3.62	3.68	4.00	4.00	4.00	10.50-12.50	12.00	13.92
October	"	..	@	@	@	3.75	3.75	3.75	3.99	4.00	4.00	12.00	12.50	13.92
November	"	..	@	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	12.50	13.92
December	"	..	@	@	3.50	3.75	3.75	3.74	4.00	4.00	3.97	12.00	12.50	13.92
January	1963	..	3.50	3.50	3.50	3.75	3.62	3.75	4.00	4.00	3.96	12.00-12.50-13.00	12.00-13.00	13.92-15.00
February	"	..	3.50	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
March	"	..	@	@	@	3.75	3.75	3.75	3.90	4.00	4.00	12.00	13.00	15.00

Note : Rates given in columns 14 to 52 prior to 1961-62 have also been computed as weighted averages of the quotations (exclusive of brokerage) relating to the local head offices of the selected banks, weights being proportional to the deposits accepted at each rate during the period and hence are comparable with the subsequent figures. For details, please see May 1963 issue of the Reserve Bank of India Bulletin.

(1) Effective from October 1, 1960, the rate relates to borrowings upto the quota fixed under slab rate system of rates. Higher rates are charged for borrowings exceeding this quota. (2) 1½% below the Bank rate. (3) 2% below the Bank rate upto October 31, 1960 and 1½% below the Bank rate thereafter. (4) Prior to October 1, 1960 the rates relate to call loans above Rs. 5 lakhs; the loans below Rs. 5 lakhs were charged quarter per cent more during this period.

(a) With effect from March 1, 1956. (b) In force from January 1956. (c) From March 7, 1956. (d) With effect from February 1, 1957. (e) With effect from November 21, 1956. (f) With effect from February 16, 1957. (g) With effect from May 16, 1957. (h) The effective borrowing rate including the stamp duties on usance bills was 4 per cent from February 1, 1957 to May 15, 1957 and 4.2 per cent thereafter. (i) From October 27, 1958. (j) From November 1, 1960. (k) 6% with effect from May 15, 1960 and 6½ per cent with effect from October 1, 1960. (l) With effect from October 1, 1960. (m) With effect from January 3, 1963. (n) With effect from January 4, 1963.

(o) No transaction. @@ Rate at which bills of small traders are reported to have been discounted by shroffs. These are unofficial quotations. Prior to December 1956, data relate to last Friday of the year/months; subsequent data provide ranges during the period. ¶ Average of six months for columns 17 to 22.

Source : State Bank of India and other selected major scheduled banks.

## WITH THE PUBLIC

(Crates of Rupees)

DEPOSIT MONEY					
Net demand deposits of scheduled and reporting non-scheduled and state co-operative banks	'Other deposits' with the Reserve Bank (g)	Deposits money with the public (8+9)	Variations in deposit money	Money supply with the public (6+10)	Variations in money supply with the public (7+11)
8	9	10	11	12	13
585.03	26.01	611.04	+27.52	2,017.56	+109.24
636.90	12.01	648.91	+68.64	2,219.92	+262.53
710.92	11.65	722.57	+73.66	2,345.30	+125.38
723.06	19.87	742.93	+20.36	2,417.00	+71.70
719.00	19.25	738.25	- 4.68	2,530.27	+113.27
772.39	21.79	794.18	+55.93	2,725.04	+194.77
757.10	18.96	776.06	+32.65††	2,874.11	+199.84††
824.26	23.41	847.66	+71.60	3,049.45	+175.34
907.30†	29.52	936.82†	+89.16†	3,315.14	+265.69†
761.82	19.22	781.04	+4.98	2,878.87	+4.76
742.17	20.24	762.42	-18.62	2,846.21	-32.66
768.17	24.82	792.99	+30.57	2,835.91	-10.30
754.00	21.15	775.16	-17.83	2,786.43	-49.48
752.93	20.49	773.47	- 1.69	2,768.63	-17.80
754.09	18.18	772.27	- 1.20	2,747.58	-21.05
766.60	18.04	784.64	+12.37	2,781.38	+33.80
757.72	20.62	778.34	- 6.30	2,800.11	+18.73
761.95	18.92	780.56	+2.52	2,840.48	+40.37
774.89	20.10	794.99	+14.13	2,900.10	+59.62
781.08	19.02	800.10	+ 5.11	2,954.85	+54.75
824.26	23.41	847.66	+47.56	3,049.45	+94.60
826.42	24.09	850.52	+2.86	3,105.58	+56.13
819.27	21.27	840.54	- 9.98	3,098.56	- 7.02
823.81	20.26	844.08	+3.54	3,049.29	-49.27
833.54	22.69	856.23	+12.15	3,028.12	-21.17
844.32	22.29	866.61	+10.38	3,010.87	-17.25
838.63	21.19	859.82	- 6.79	3,003.15	- 7.72
839.55	19.15	856.50	- 1.32	3,043.11	+39.96
840.26	19.71	859.97	+ 1.47	3,064.06	+20.95
852.64	18.55	871.19	+11.22	3,118.73†	+54.67†
833.32†	18.75	874.07†	+ 2.88†	3,173.23†	+54.50†
860.69†	20.08	880.78†	+ 6.71†	3,211.83†	+38.60†
907.30†	29.52	936.82†	+56.04†	3,315.14†	+103.31†

(a) Including Half Seera currency upto December 1957. (b) Figures are net of the return of about Rs. 43 crores from Pakistan awaiting adjustment. (c) Allowing for the special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.55 crore in June 1961) withdrawn from Kuwait. (d) Estimated. (e) Figures are as on last day of the year/month. Excluding balances held in the small coin depots. Excludes balances held at treasuries also upto March 1962. (f) Figures are as on the last day of the year/month. Including small coins also. (g) Excluding balances held on I.M.F. Account No. 1 and some extraordinary items. ††Derived from comparable estimates.

## STATEMENT 27—SEASONAL VARIATIONS

	1955-56		1956-57		1957-58	
	Slack Season	Busy Season	Slack Season	Busy Season	Slack Season	Busy Season
	1	2	3	4	5	6
A. MONEY SUPPLY WITH THE PUBLIC	+ 10.8	+ 252.1	- 106.0	+ 234.9	- 84.1	+ 152.4
1. Currency with the public (b)	.. ..	- 11.4	+ 208.7	- 96.5	+ 145.9	- 90.0
2. Bank money (c)	.. ..	+ 22.1	+ 42.0	- 7.8	+ 87.3	+ 3.8
3. Other deposits with the Reserve Bank of India (d)	.. .. .. ..	+ 0.1	+ 1.4	- 1.7	+ 1.7	+ 2.1
B. FACTORS AFFECTING MONEY SUPPLY (e)						
1. Bank credit to Government (i+h+ii+iv) -(v+vi)	.. .. .. ..	+ 72.9	+ 112.3	+ 48.3	+ 276.4	+ 214.7
(i) Rupee securities held by the Reserve Bank of India	.. .. ..	+ 18.6	+ 148.9	+ 33.0	+ 261.5	+ 155.3
(ii) Loans and advances to Governments by the Reserve Bank of India	.. ..	- 0.9	+ 1.8	+ 1.6	+ 12.4	+ 33.7
(iii) Rediscounts of Treasury bills	.. ..	- 4.9	+ 5.3	- 7.7	+ 7.7	- 8.7
(iv) Investments of banks in Government securities (e) (f)	.. ..	+ 53.6	- 37.6	+ 17.8	- 27.9	+ 38.7
(v) Central Government's deposits with the Reserve Bank of India	.. ..	- 1.7	+ 9.3	- 4.4	- 1.3	- 0.3
(vi) State Governments' deposits with the Reserve Bank of India	.. ..	- 4.8	- 3.2	+ 0.8	- 21.4	+ 4.6
2. Foreign assets held by the Reserve Bank of India (g)	.. .. .. ..	- 2.8	+ 13.3	- 143.4	- 77.3	- 177.8
		(+ 4.3)	(+ 19.3)	(-143.4)	(-138.0)	(-212.3)
3. Public's net indebtedness to the banking system (i-ii)	.. .. .. ..	- 66.8	+ 158.4	- 26.0	+ 114.4	- 124.5
(i) Bank credit (c) (h)	.. .. ..	- 27.0	+ 166.1	+ 7.6	+ 158.6	- 30.2
(ii) Time deposits of banks (c)	.. .. ..	+ 39.8	+ 7.7	+ 33.6	+ 44.2	+ 94.3
						+ 123.8

Note : (1) Slack season is from May to October and the busy season is from November to April. (2) No adjustments have been made for the net inward or outward movements of currency. (3) This Statement has been recast to include circulation of small coins. As a result the figures of currency with the public [Item A(1)] and the total money supply with the public (Item A) given in this Statement will not agree with the figures published in the corresponding Statement of the Report on Currency and Finance upto 1960-61. (4) Figures against items A(2) and B(3)(ii) have been revised and relate to (i) in respect of scheduled banks, non-bank demand/time deposits and non-deposit 'other' demand/time liabilities upto 1959-60 and non-bank demand/time deposits only thereafter, (ii) in respect of non-scheduled banks, non-bank demand/time deposits and (iii) in respect of state co-operative banks, net demand/time liabilities, and as such are not comparable with figures published upto 1960-61. Figures for 1960-61 exclude estimated non-deposit 'other' demand/time liabilities of scheduled banks and are broadly comparable with those for the subsequent periods. Consequential changes are reflected in the totals.

## IN MONEY SUPPLY WITH THE PUBLIC

(Crates of Rupees)

1958-59		1959-60		1960-61		1961-62		1962-63		Outstanding as on April 26, 1963 (a)
Slack Season	Busy Season	Slack Season	Busy Season	Slack Season	Busy Season	Slack Season	Busy Season	Slack Season	Busy Season	
7	8	9	10	11	12	13	14	15	16	17
-147.1	+290.6	-110.4	+273.7	-79.2	+235.3	-97.5	+324.2	-62.5	+362.1	3,405.1
-89.2	+222.4	-58.6	+198.7	-89.4	+205.2	-101.1	+258.3	-70.5	+256.4	2,441.0
-59.4	+66.2	-51.3	+72.1	+6.1	+35.7	+4.8	+59.8	+12.9	+93.8	933.1
+1.5	+2.0	-0.5	+2.9	+4.1	-5.5	-1.2	+6.1	-4.9	+11.9	31.0
+180.7	+177.9	+70.7	+184.2	-121.1	+117.0	-68.0	+297.1	+4.2	+201.3	2,921.4
+95.7	+130.1	-104.3	+216.6	-43.4	+139.4	-75.2	+233.0	-108.3	+313.7	2,198.1
-37.9	+27.1	-23.7	+28.0	-19.8	+55.6	-21.6	+47.9	-66.7	+41.3	85.1
-17.3	+6.9	+16.5	+3.7	-15.3	+28.8	-17.6	+24.9	+57.2	-47.2	58.1
+175.4	-3.4	+180.9	-53.5	-48.8	-126.4	+61.6	-25.8	+115.0	-96.3	651.4
+18.7	-18.1	+1.4	-4.4	+14.8	-13.7	+13.2	-11.1	-2.6	+11.1	62.1
+16.5	+0.9	-2.7	+15.0	-21.0	-5.9	+2.0	-6.0	-4.4	-0.7	9.2
-89.4	+30.3	-10.5	-17.6	-37.9	-19.4	+21.9	-32.8	-19.8	+21.3	113.9
(-89.4) (+30.3) (-10.5) (-17.6) (-37.9) (-19.4) (+21.9) (-32.8) (-19.8) (+21.3)										
-243.6	+120.2	-197.3	+113.7	+43.9	+197.4	-69.0	+98.5	-90.4	+246.6	516.6
-103.5	+176.4	-38.8	+180.6	+13.5	+192.5	-42.0	+195.9	-16.3	+197.3	1,785.6
+140.1	+56.2	+158.5	+66.9	-30.4	-4.9	+27.0	+97.4	+74.1	-47.3	1,269.0

(a) Figures are provisional. (b) Including *Hall Siccá* currency upto December 1957. Net of the return of about Rs. 43 crores from Pakistan awaiting adjustment but allows for the special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.35 crore in June 1961) withdrawn from Kuwait. (c) Scheduled banks, and reporting non-scheduled and state co-operative banks. (d) Excluding balances held in I.M.F. Account No. 1 and some extraordinary items. (e) Figures are gross variations; no adjustments have been made in respect of extraordinary transactions except in figures given in brackets against (b)(2). (f) At book value; includes Treasury bills and Treasury deposit receipts. (g) Figures in brackets are net of borrowings from and repayments to the I.M.F. (h) Comprising (i) advances and (ii) inland and foreign bills purchased and discounted in India. Figures exclude 'due from banks' in respect of scheduled and non-scheduled banks. Prior to November 1960, 'due from banks' in respect of scheduled banks are estimated.

## STATEMENT 28—VARIATIONS IN

	Outstanding as on March 30, 1951	Variations during the First Plan	Outstanding as on March 30, 1956	Variations during the Second Plan
<b>A. MONEY SUPPLY WITH THE PUBLIC</b>	2,022.2†	+ 197.6	2,219.9	+ 706.4‡
1. Currency with the public* @	1,404.8†	+ 166.2	1,571.0	+ 527.0
2. Other deposits with the Reserve Bank	26.0	- 14.0	12.0	+ 6.9
3. Bank money	591.4†	- 45.4	636.9	+ 172.3§
<b>B. FACTORS AFFECTING MONEY SUPPLY VARIATIONS</b>				
1. Net Bank Credit to Government Sector (a+b+c) †	1,048.9	+ 245.2	1,294.0	+ 1,400.8
(a) Reserve Bank's net credit to Government sector (i-ii)	460.5	+ 246.2	706.7	+ 1,190.7
(i) Aggregate variations in the financial assets of the Reserve Bank (including rupee coins) ..	648.9	+ 187.2	836.1	+ 1,166.9
(ii) Variations in Government deposits with the Reserve Bank ..	188.4	- 59.0	129.4	- 23.8
(b) Banks' credit to Government sector † ..	347.0	+ 51.4	398.3	+ 192.8
(c) Government's net currency liabilities to the public @ (variations in Government currency liabilities—variations in Treasury balances) ..	241.4	- 52.4	189.0	+ 17.3
2. Net Bank Credit to Private Sector (a+b) †	257.5 @ @	+ 105.0	362.5	+ 23.3‡
(a) Reserve Bank credit to private sector ..	1.2	+ 4.8	6.1	+ 2.6
(b) Banks' net credit to private sector (i-ii) ..	256.3 @ @	+ 100.1	356.4	+ 20.2‡
(i) Variations in financial assets of banks ..	587.1 @ @	+ 235.6	822.7	+ 671.6
(ii) Variations in non-monetary liabilities of banks † ..	330.8	+ 135.5	466.3	+ 651.1‡
3. Variations in Net Foreign Exchange Assets of Banking Sector (a+b)	860.0	- 95.8	764.2	- 663.5
(a) Variations in the net foreign exchange assets of the Reserve Bank ..	877.9	- 96.4	781.5	- 674.2
(b) Variations in the banks' net foreign exchange assets ..	- 17.9	+ 0.6	- 17.3	+ 10.7
4. Variations in the Non-Identifiable Net Non-monetary Liabilities of the Banking Sector* (Increase—) ..	101.0 @ @	- 56.8	157.6	- 54.2§

Note : (1) No adjustments have been made for the net inward or outward movements of currency. (2) This Statement has been recast to include circulation of small coins. As a result, the figures of currency with the public (Item A(1)) and the total money supply with the public (Item A) and Government's net currency liabilities (Item B(1)/c) given in this Statement will not agree with the figures published in the corresponding Statement of the Report on Currency and Finance upto 1960-61. (3) Figures against A(3) and B(2)(b) (ii) have been revised and relate to (i) in respect of scheduled banks, non-bank demand/time deposits and non-deposit "other" demand/time liabilities upto 1959-60 and non-bank demand/time deposits only thereafter, (ii) in respect of non-scheduled banks, non-bank demand/time deposits and (iii) in respect of state co-operative banks, net demand/time liabilities, and as such are not comparable with figures published upto 1960-61. Figures for 1960-61 exclude estimated non-deposit "other" demand/time liabilities of scheduled banks and are broadly comparable with those for the subsequent periods. Consequential changes are reflected in the totals.

\* Excludes Rs. 43.17 crores of India notes returned from Pakistan and awaiting adjustment but allows for the withdrawal of special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.55 crore in June 1961) from Kuwait.

@ Including Half Sixpence currency upto December 1957.

## MONEY SUPPLY WITH THE PUBLIC

(Crores of Rupees)

Outstanding as on March 31, 1961	Variations during							Outstanding as on March 30, 1962	Outstanding as on March 29, 1963
	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63		
2,874.1	+125.4	+ 71.7	+113.3	+194.8	+199.8	+175.3	+265.7	3,049.5	3,315.1
2,098.1	+ 51.7	- 51.3	+118.0	+138.8	+167.2	+103.7	+176.5	2,201.8	2,378.3
19.0	- 0.4	+ 8.2	- 0.6	+ 2.5	- 2.8	+ 4.4	+ 6.1	23.4	29.5
757.1	+ 74.0	+ 12.1	- 4.1	+ 53.4	+ 35.5	+ 67.2	+ 83.0	824.3	907.3
2,694.8	+310.1	+502.3	+332.6	+263.9	- 7.4	+224.3	+210.0	3,919.1	3,129.1
1,397.4	+330.9	+421.2	+156.5	+145.4	+136.6	+160.3	+207.4	2,057.7	2,265.1
2,002.9	+298.1	+427.9	+133.9	+171.0	+135.9	+142.0	+207.5	2,144.9	2,352.4
105.5	- 32.8	+ 6.7	- 22.6	+ 25.6	- 0.7	- 18.3	+ 0.1	87.2	87.3
591.1	- 11.8	+ 80.6	+174.4	+103.5	-153.9	+ 43.2	- 5.0	634.3	629.3
206.3	- 9.0	+ 0.5	+ 1.7	+15.0	+ 9.9	+ 20.8	+ 7.6	227.1	234.7
403.3	+ 99.7	-152.1	-138.2	- 70.0	+252.9	+ 37.6	+166.0	445.9	611.9
8.8	+ 0.5	- 0.7	+ 2.2	+ 0.5	+ 0.3	+ 1.7	+ 3.3	10.5	13.8
399.5	+ 99.2	-151.4	-140.4	- 70.5	+252.6	+ 35.9	+162.7	435.4	598.1
1,494.5	+160.3	+ 71.8	+ 58.5	+143.4	+237.8	+136.7	+210.6	1,631.2	1,841.8
1,095.0	+ 61.1	+223.2	+198.9	+213.9	- 14.8	+100.8	+ 47.9	1,195.8	1,243.7
100.7	-261.7	-282.2	- 59.7	+ 2.7	- 62.6	- 57.0	- 29.8	43.7	13.9
107.3	-277.3	-294.8	- 56.1	+ 5.6	- 51.6	- 66.5	- 27.3	40.8	13.5
- 6.6	+ 15.6	+ 12.6	- 3.6	- 2.9	- 11.0	+ 9.5	- 2.5	+ 2.9	+ 0.4
286.5	- 22.7	+ 3.7	- 21.4	- 1.8	+ 16.9	- 29.6	- 80.5	316.0	396.6

† In view of the change in arrangements for holding P.L. 480 Funds from May 12, 1960, figures from 1960-61 onwards are not comparable with those for the earlier years.

‡ Adjusted for change in coverage due to inclusion in 1952 of non-scheduled banks operating exclusively in the then Part B States.

@@ Adjusted for foreign bills, data relating to which were obtained only since May 14, 1954.

§ Worked out by using the net demand/time deposits of scheduled banks including non-deposit other liabilities also for March 1961.

**STATEMENT 29—ADVANCES OF THE RESERVE BANK OF INDIA  
TO SCHEDULED BANKS AND STATE CO-OPERATIVE BANKS**  
(Lakhs of Rupees)

		Scheduled Banks			State Co-operative Banks
		Against finance bills and/or pro- missory notes	Other advances	Total	
<b>Outstanding as on last Friday of</b>					
1950-51	...	...	...	12,41	12,41
1955-56	...	...	...	27,43	65,08
1956-57	...	...	...	71,54	103,16
1957-58	...	...	...	26,58	42,00
1958-59	...	...	...	13,48	61,86
1959-60	...	...	...	14,03	65,41
1960-61	...	...	...	45,39	94,53
1961-62	...	...	...	40,73	53,04
1962-63	...	...	...	53,30	71,28
<b>Outstanding as at the close of</b>					
April	6, 1962	...	...	24,74	31,45
"	13,	...	...	14,01	17,05
"	20,	...	...	12,47	15,01
"	27,	...	...	9,80	12,65
May	4,	...	...	7,66	14,15
"	11,	...	...	31,21	21,96
"	18,	...	...	6,93	12,48
"	25,	...	...	3,73	4,70
June	1,	...	...	2,55	4,85
"	8,	...	...	5,51	12,71
"	15,	...	...	3,61	8,12
"	22,	...	...	94	2,59
"	29,	...	...	90	1,57
July	6,	...	...	90	1,43
"	13,	...	...	37	2,25
"	20,	...	...	23	129,54
"	27,	...	...	17	63
August	3,	...	...	12	2,43
"	10,	...	...	6	1,82
"	17,	...	...	1	1,00
"	24,	...	...	—	139,75
"	31,	...	...	5,66	7,27
September	7,	...	...	21,60	15,93
"	14,	...	...	12,50	42,65
"	21,	...	...	5,04	135,39
"	28,	...	...	2,61	6,29
October	5,	...	...	5,89	4,55
"	12,	...	...	6,09	143,28
"	19,	...	...	90	1,53
"	26,	...	...	7,39	141,11
November	2,	...	...	4,19	9,35
"	9,	...	...	2,32	142,08
"	16,	...	...	41	144,45
"	23,	...	...	41	2,07
"	30,	...	...	1,43	145,40
December	7,	...	...	17,38	12,51
"	14,	...	...	10,37	8,20
"	21,	...	...	10,20	6,31
"	28,	...	...	13,66	7,04
January	4, 1963	...	...	10,31	9,14
"	11,	...	...	15,98	9,06
"	18,	...	...	16,43	10,77
"	25,	...	...	15,44	8,13
February	1,	...	...	23,68	12,42
"	8,	...	...	27,72	16,09
"	15,	...	...	25,52	12,04
"	22,	...	...	26,82	11,79
March	1,	...	...	38,00	19,18
"	8,	...	...	58,99	24,50
"	15,	...	...	56,55	20,12
"	22,	...	...	54,31	15,07
"	29,	...	...	53,30	17,99

(a) As on March 31, 1951.

**STATEMENT 30—RESERVE BANK OF INDIA AND INDUSTRIAL FINANCE**

(Thousands of Rupees)

As at the end of	A. Long-term Finance to			
	Industrial Finance Corporation		State Financial Corporations	
	Shares	Bonds	Shares	Bonds
1950-51		102,70		—
1951-52		102,70	—	—
1952-53		102,70	—	—
1953-54		102,70	200,00	87,50
1954-55		102,70	200,00	125,00
1955-56		102,70	200,00	170,00
1956-57		102,70	200,00	182,50
1957-58		102,70	200,00	200,00
1958-59	..	102,70	200,00	200,00
1959-60	..	102,70	200,00	225,00
1960-61	..	102,70	200,00	235,00
1961-62	..	142,70	200,00	245,00
1962-63	..	142,70	220,00	243,00
				18,75

*Note :* From 1958-59 onwards, long-term finance to Refinance Corporation is Rs. 100 lakhs in shares. This represents the paid up value of the shares of Rs. 5 crores taken up by the Bank.

(a) During the year 1958-59, further bonds to the extent of Rs. 6,74,100 were purchased by the Bank. These bonds, together with the bonds of the face value of Rs. 3,24 lakhs purchased during the preceding year, were sold during the year 1958-59.

Outstanding as on last Friday	B. Medium-term Finance to			C. Short-term Finance to
	Industrial Finance Corpora- tion [Under section 17(4B) (b) of the Reserve Bank of India Act]		State Financial Corpora- tions [Under section 17 (4A) of the Reserve Bank of India Act.]	State Financial Cor- porations [Under Section 17 (4) (a) of the Reserve Bank of India Act.]
	Shares	Bonds		
1956-57	...	106,50		—
1957-58	...	93,75		2,50
1958-59	...	86,00		—
1959-60	..	51,00		13,00
1960-61	..	—		34,00
1961-62	..	—	5,00	71,33
1962-63	..	—		
April 1961		7,50		22,50
May	..	7,75		3,00
June	..	—		9,00
July	..	—		9,00
August	..	1,00		14,63
September	..	17,50		24,00
October	..	1,00		24,00
November	..	223,50		24,00
December	..	—		55,00
January 1962		1,75		25,75
February	..	17,25		27,10
March	..	—		34,00
April	..	—		32,00
May	..	—		3,00
June	..	—		—
July	..	—		—
August	..	5,75		20,00
September	..	—		40,00
October	..	26,00		25,00
November	..	36,50		45,00
December	..	—		49,00
January 1963	..	—		45,00
February	..	—		53,00
March	..	—	5,00	71,33

*Note :* Since 1956-57, outstandings in respect of short-term finance to Industrial Finance Corporation of India [under section 17(4B) (a) of the Reserve Bank of India Act] are nil.

## STATEMENT 31—RESERVE BANK OF INDIA

Year	Short-term loans to State Co-operative Banks											
	For seasonal agricultural operations and marketing of crops [17(4)(a), (2)(b) or (4)(c)] at 2 per cent below Bank rate*		For financing Intensive Agricultural District programme [17(4)(c)] at 2 per cent below Bank rate		For financing handloom weavers' societies		For production and marketing activities [17(2)(bb) or (4)(c)] at 1½ per cent below Bank rate		For general banking purposes [17(4)(a)] at Bank rate		For financing working capital requirements of co-operative sugar factories [17(2)(b) or (4)(c)] at Bank rate	
	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings
	1	2	3	4	5	6	7	8	9	10	11	12
1950-51	537.30	339.20	—	—	—	—	—	—	42.30	2.30	—	—
1951-52	1128.68	781.38	—	—	—	—	—	—	—	—	—	—
1952-53	976.05	637.20	—	—	31.90	6.10	—	—	40.00	40.00	—	—
1953-54	1384.45	801.43	—	—	37.70	15.80	—	—	10.00	35.00	—	—
1954-55	1729.34	913.95	—	—	18.40	6.40	—	—	1.00	—	—	—
1955-56	2299.78	1233.48	—	—	—	—	—	—	38.60	13.00	—	—
1956-57	3190.61	2058.47	—	—	43.00	19.80	—	—	39.25	12.00	—	—
1957-58	5022.51	3092.59	—	—	29.20	8.00	49.28	49.28	213.20	—	99.00	—
1958-59	6755.55	4256.32	—	—	48.00	24.00	173.99	168.63	182.30	—	100.00	—
1959-60	8897.21	6644.52	—	—	78.50	11.50	173.48	176.30	534.45	—	—	—
1960-61	13166.16	7914.42	—	—	42.50	12.50	239.83	240.70	319.20	9.00	469.90	—
1961-62	15072.42	10671.22	97.00	80.00	173.90	65.00	354.30	335.63	983.00	18.50	2032.00	18.00
1962-63	18297.39	11730.52	155.30	178.50	238.00	77.75	451.66	443.59	1040.00	48.00	1475.00	19.00

\*Under various Sections of the Reserve Bank of India Act, 1934 as indicated in brackets.

With effect from November 15, 1951. Prior to this date, the rate of interest was 1½ per cent below Bank rate.

## AND CO-OPERATIVE CREDIT (†)

(Lakhs of Rupees)

Medium-term loans to State Co-operative Banks for agricultural purposes [17 (4AA)] at 2 per cent below Bank rate before National Agricultural Credit (Long-term Operations) Fund was constituted				National Agricultural Credit (Long-term operations) Fund				Rural debentures of State Governments for contribution to the share capital of co-operative credit societies [17(4AA) read with 46A(2)(d)]				Land Mortgage Banks Ordinary debentures of Land Mortgage Banks			
Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Purchases	Out-standings	Purchases	Out-standings				
13	14	15	16	17	18	19	20	21	22	23	24				
—	—	—	—	—	—	—	—	—	—	12.00	18.13				
—	—	—	—	—	—	—	—	—	—	33.00	31.13				
—	—	—	—	—	—	—	—	—	—	22.89	55.13				
—	—	—	—	—	—	—	—	—	—	14.50	68.52				
19.89	19.89	—	—	—	—	—	—	—	—	7.06	59.69				
30.75	40.52	10.59	10.59	—	—	—	—	—	—	9.50	73.38				
3.44	24.62	118.77	113.31	—	—	160.45	160.45	—	—	1.50	62.13				
—	9.21	298.68	352.22	—	—	583.40	743.85	—	—	12.94	75.07				
—	—	268.44	494.84	—	—	574.48	1318.33	26.88	26.88	3.59	76.75				
—	—	386.43	621.98	—	—	493.34	1795.33	47.10	73.98	—	63.90				
—	—	467.90	763.19	—	—	274.58	1995.17	33.17	107.15	2.90	66.81				
—	—	711.33	1081.50	10.00	10.00	542.65	2436.80	70.81	177.96	72.20	139.02				
—	—	348.85	918.86	8.81	15.97	491.34	2714.53	106.92@	284.88@	236.16	290.18				

†Rate of interest on loans sanctioned with effect from November 1, 1960 raised to 1½% below Bank rate.

@Includes purchases and outstandings of Rs. 13.50 lakhs each of special development debentures issued by a Central Land Mortgage bank.

## STATEMENT 32—LIABILITIES AND ASSETS (ANNUAL AND

(Issue and Banking)

Notes in circulation	LIABILITIES								Other liabilities (a)	Total Liabilities or Assets (£)								
	DEPOSITS																	
	Central Government	State Governments	Scheduled banks	State co-operative banks	Other banks	Others	Total	1	2	3	4	5	6	7	8	9	10	
<b>Average of Friday figures</b>																		
1	1950-51	.. 1,163.21	148.60	17.71	62.22	62.29	290.82	28.14	1,482.18									
2	1955-56	.. 1,339.39	60.11	19.85	53.77	18.31	152.04	45.59	1,537.03									
3	1956-57	.. 1,475.77	57.52	14.10	52.46	19.73	143.81	101.21	1,720.79									
4	1957-58	.. 1,529.36	54.61	11.28	81.00	111.38	258.27	149.36	1,936.93									
5	1958-59	.. 1,593.88	57.62	20.80	87.53	118.73	284.67	156.77	2,035.31									
6	1959-60	.. 1,730.90	55.50	23.24	79.61	123.48	281.83	168.18	2,180.91									
7	1960-61	.. 1,863.13	61.73	21.27	97.30	98.76	279.06	185.33	2,327.52									
8	1961-62	.. 1,957.42	60.71	16.55	81.95	140.73	299.94	204.13	2,461.50									
9	1962-63	.. 2,114.89	63.49	16.28	85.35	164.77	329.89	227.39	2,672.18									
					82.35 †	1.94 †	4 †											
<b>As at the close of last Friday</b>																		
10	1950-51	.. 1,247.41	162.04	26.40	59.28	72.31	320.03	33.10	1,600.55									
11	1955-56	.. 1,466.64	67.34	62.03	53.24	16.68	199.30	59.46	1,725.41									
12	1956-57	.. 1,526.09	64.57	31.95	57.77	74.28	228.56	171.03	1,925.68									
13	1957-58	.. 1,579.13	48.33	54.85	67.83	117.52	288.53	177.46	2,045.12									
14	1958-59	.. 1,701.53	53.83	26.72	67.57	119.07	267.19	190.67	2,159.35									
15	1959-60	.. 1,844.90	63.15	42.97	92.90	100.10	299.12	216.34	2,360.36									
16	1960-61	.. 1,984.74	76.46	28.99	70.85	87.96	264.25	221.39	2,470.39									
17	1961-62	.. 2,070.30	71.30	15.89	72.73	152.36	312.27	231.84	2,614.42									
18	1962-63	.. 2,241.96	55.83	31.42	74.91	2.49	4	172.39	337.09	263.18								
<b>1962-63 (Weekly)</b>																		
<b>As at the close of 1962</b>																		
19	April	6 .. 2,133.05	73.61	6.80	86.18	151.90	318.49	225.88	2,677.42									
20	"	13 .. 2,149.32	83.27	3.89	86.39	153.34	326.89	228.93	2,705.14									
21	"	20 .. 2,141.06	51.06	6.86	88.52	156.56	302.99	234.85	2,678.91									
22	"	27 .. 2,123.04	53.64	14.29	85.15	153.04	306.11	234.91	2,664.07									
23	May	4 .. 2,145.14	51.36	16.06	78.98	151.60	298.00	235.35	2,678.50									
24	"	11 .. 2,161.30	49.05	18.78	89.04	151.46	308.34	234.51	2,704.14									
25	"	18 .. 2,146.66	52.75	12.35	87.20	149.90	302.30	255.05	2,704.01									
26	"	25 .. 2,121.85	49.01	15.89	89.12	150.66	304.67	250.23	2,676.75									
27	June	1 .. 2,112.61	50.95	13.07	89.38	150.28	303.68	249.70	2,665.99									
28	"	8 .. 2,141.30	52.70	8.31	85.06	148.65	294.72	244.53	2,680.56									
29	"	15 .. 2,131.04	57.43	5.17	87.14	148.86	298.59	251.62	2,681.25									
30	"	22 .. 2,097.04	69.77	4.71	98.62	151.27	324.37	259.07	2,683.47									
31	"	29 .. 2,076.68	53.36	25.49	98.70	149.65	327.21	260.39	2,664.28									
32	July	6 .. 2,024.77	48.16	25.19	105.56	3.65	2	193.42	376.00	205.07	2,675.84							
33	"	13 .. 2,090.32	53.27	17.46	88.52	1.97	2	192.22	353.47	204.03	2,647.86							
34	"	20 .. 2,060.76	49.33	14.28	106.84	1.74	2	191.64	365.85	206.86	2,633.47							
35	"	27 .. 2,036.73	54.58	25.59	101.04	2.02	2	207.63	390.87	208.50	2,636.10							
36	August	3 .. 2,045.20	49.08	36.07	93.23	1.63	2	203.80	383.84	202.22	2,631.25							
37	"	10 .. 2,063.71	58.23	23.15	89.38	2.08	2	204.64	377.50	194.13	2,635.34							
38	"	17 .. 2,054.07	67.31	16.90	95.37	2.06	2	160.15	341.81	197.30	2,593.18							
39	"	24 .. 2,029.06	59.07	11.92	106.29	1.91	3	173.84	351.06	203.28	2,585.41							
40	"	31 .. 2,011.38	92.12	34.83	79.30	1.81	2	164.19	372.29	205.00	2,582.67							

{For footnotes, please see end of the Statement.]

## WEEKLY) OF THE RESERVE BANK OF INDIA

Departments combined)

(Lakhs of Rupees)

Gold coin and bullion (c)	Foreign assets (d)	Rupee coin (e)	Invest- ments (f)	ASSETS					Bills purchased and discounted	Other assets		
				LOANS AND ADVANCES TO								
				Govern- ments (g)	Sched- uled banks	State Co-oper- ative banks	Others					
11	12	13	14	15	16	17	18	19	20			
40,02	832,40	57,33	535,19	2,37		6,77		3,05	5,06	1		
40,02	723,48	107,00	602,42	1,73		36,99		9,78	15,61	2		
40,02	610,75	116,09	807,04	4,89		85,34		5,69	13,60	3		
117,76												
117,76	370,12	130,18	1,188,98	32,90		77,91		4,81	14,32	4		
117,76	207,61	134,06	1,463,91	28,23		65,83		6,18	11,73	5		
117,76	196,59	131,28	1,592,77	25,33		88,92		15,54	12,22	6		
117,76	155,73	126,92	1,712,04	38,19		132,78		28,71	15,38	7		
117,76	134,03	121,70	1,827,41	63,87		137,69		34,10	22,93	8		
117,76	100,98	119,38	2,009,29	56,42		155,24		78,15	34,97	9		
						21,71	140,32	1,377				
40,02	884,18	54,51	585,83	1,56		16,75		8,21	9,50	10		
40,02	746,13	101,31	726,01	—		79,94		12,23	17,77	11		
117,76	526,83	122,79	1,006,20	7,65		127,87		2,98	13,61	12		
117,76	267,00	129,42	1,409,55	21,23		78,40		7,68	14,08	13		
117,76	213,06	130,16	1,542,96	24,77		113,44		5,18	12,05	14		
117,76	197,12	124,23	1,694,51	22,34		156,54		33,60	14,26	15		
117,76	136,25	119,71	1,813,15	39,02		185,50		39,17	19,82	16		
117,76	129,70	116,97	1,910,57	80,89		177,69		46,60	34,24	17		
117,76	116,38	116,31	2,128,29	54,76	71,28	134,35	1,68	66,00	35,40	18		
117,76												
117,76	125,19	118,83	1,969,96	95,53		152,41		63,10	34,63	19		
117,76	120,02	118,08	1,969,79	119,22		135,36		89,96	34,94	20		
117,76	117,89	118,54	1,969,15	125,87		131,56		63,00	35,13	21		
117,76	112,41	119,40	1,992,68	110,25		127,82		48,02	35,73	22		
117,76	110,99	116,41	2,002,19	113,64		129,57		52,10	35,85	23		
117,76	109,80	114,65	2,006,12	109,85		138,98		70,60	36,38	24		
117,76	107,73	114,42	2,010,34	117,38		129,14		70,22	37,02	25		
117,76	102,65	114,90	2,014,68	104,17		121,74		63,48	37,36	26		
117,76	101,50	114,15	2,015,85	103,79		122,19		52,45	38,31	27		
117,76	102,63	111,83	2,012,55	111,32		129,66		56,19	38,63	28		
117,76	101,70	112,46	2,010,14	118,67		124,51		56,79	39,22	29		
117,76	102,34	114,49	2,007,26	124,51		122,13		52,25	39,74	30		
117,76	97,33	116,28	2,076,58	34,89		134,93		44,04	42,46	31		
117,76	98,55	114,85	2,073,26	37,88	2,41	131,18	—	55,59	41,35	32		
117,76	96,46	115,65	2,032,29	38,17	2,25	129,90	93	74,69	39,75	33		
117,76	93,86	118,19	2,030,29	41,73	63	127,13	93	67,45	35,51	34		
117,76	103,10	120,62	2,043,36	34,05	63	126,49	93	54,92	34,24	35		
117,76	99,06	119,90	2,041,68	27,77	2,43	127,97	93	60,16	33,59	36		
117,76	94,50	119,71	2,037,66	30,62	1,82	128,39	1,11	70,08	33,68	37		
117,76	94,42	120,83	1,982,55	35,45	1,00	131,20	1,13	75,12	33,73	38		
117,76	93,90	122,85	1,982,31	34,91	75	131,05	1,12	67,03	33,72	39		
117,76	94,10	124,48	1,962,17	26,27	15,93	138,97	1,17	73,74	34,08	40		

## STATEMENT 32—LIABILITIES AND ASSETS (ANNUAL)

(Issue and Banking)

Notes in circulation	LIABILITIES									Other liabilities (a)	Total Liabilities or Assets (b)						
	DEPOSITS																
	Central Government	State Governments	Scheduled banks	State co-operative banks	Other banks	Others	Total	1	2	3	4	5	6	7	8	9	10
<b>1962 (contd.)</b>																	
41 September 7 .. 2,044,06	114,74	21,64	88,07	1,88	2	162,25	388,60	204,31	2,636,97								
42 " 14 .. 2,041,70	84,42	29,40	82,81	1,64	2	160,25	358,55	204,46	2,604,70								
43 " 21 .. 2,019,79	73,78	15,71	84,66	1,90	2	160,13	336,20	201,27	2,557,27								
44 " 28 .. 2,011,48	61,79	13,76	83,93	1,77	2	163,09	324,36	200,14	2,535,98								
45 October 5 .. 2,054,34	60,87	17,95	83,48	2,32	2	160,08	324,73	200,11	2,579,17								
46 " 12 .. 2,071,14	59,49	21,20	81,84	1,82	2	161,45	325,81	200,04	2,596,99								
47 " 19 .. 2,047,88	52,42	15,27	88,08	1,77	3	159,86	317,43	210,47	2,575,78								
48 " 26 .. 2,049,22	51,01	9,85	79,17	1,50	3	161,05	302,61	205,70	2,557,53								
49 November 2 .. 2,063,79	49,95	10,08	72,38	1,72	3	160,15	294,31	213,28	2,571,38								
50 " 9 .. 2,086,96	50,43	17,86	80,81	1,95	3	160,07	311,16	209,25	2,607,36								
51 " 16 .. 2,077,26	60,77	7,06	91,05	1,81	3	162,36	323,07	224,18	2,624,51								
52 " 23 .. 2,067,90	63,32	5,71	81,25	1,87	5	163,46	317,66	224,51	2,610,08								
53 " 30 .. 2,071,31	57,90	10,23	68,78	1,69	5	162,07	300,72	229,77	2,601,79								
54 December 7 .. 2,122,59	54,14	21,26	72,36	1,73	6	165,28	314,84	225,36	2,662,79								
55 " 14 .. 2,125,28	51,21	13,48	78,14	1,53	6	160,46	304,87	223,72	2,653,87								
56 " 21 .. 2,121,97	51,15	7,54	74,23	1,61	6	162,47	297,05	211,19	2,650,21								
57 " 28 .. 2,120,28	53,28	6,12	81,18	2,52	6	160,90	304,07	213,84	2,658,19								
<b>1963</b>																	
58 January 4 .. 2,154,05	53,79	15,79	75,26	2,20	6	163,10	310,20	233,07	2,697,32								
59 " 11 .. 2,183,78	52,45	25,69	73,37	1,71	6	162,03	315,31	233,50	2,732,60								
60 " 18 .. 2,184,17	53,87	20,37	78,93	1,66	5	164,70	319,58	219,55	2,743,30								
61 " 25 .. 2,164,85	61,74	20,01	75,77	1,66	2	161,10	320,30	243,20	2,728,35								
62 February 1 .. 2,166,68	79,17	13,58	74,20	1,77	4	163,55	332,30	246,00	2,744,98								
63 " 8 .. 2,210,82	89,31	7,99	73,42	1,63	3	162,75	335,13	238,24	2,784,19								
64 " 15 .. 2,208,53	86,38	8,95	79,05	1,84	5	163,38	339,64	243,91	2,792,08								
65 " 22 .. 2,194,48	84,56	9,80	77,84	2,31	5	162,96	337,52	244,03	2,776,03								
66 March 1 .. 2,193,97	103,95	12,87	77,57	1,84	2	163,39	359,64	250,46	2,804,06								
67 " 8 .. 2,235,86	123,93	16,43	69,75	2,09	5	167,99	380,24	248,47	2,864,58								
68 " 15 .. 2,241,79	63,12	35,09	72,22	1,88	5	185,32	357,68	248,79	2,849,27								
69 " 22 .. 2,230,44	61,66	27,62	71,69	2,51	5	169,23	332,76	258,93	2,822,13								
70 " 29 .. 2,241,96	55,83	31,42	74,91	2,49	4	172,39	337,09	263,18	2,842,23								

(a) Including (i) paid-up capital of Rs. 5 crores, (ii) reserve fund of Rs. 5 crores upto June 28, 1957 and of Rs. 80 crores from July 5, 1957, (iii) National Agricultural Credit (Long-term Operations) Fund of Rs. 10 crores from February 3, 1956, Rs. 15 crores from July 6, 1956, Rs. 20 crores from July 5, 1957, Rs. 25 crores from July 4, 1958, Rs. 30 crores from July 3, 1959, Rs. 40 crores from July 1, 1960, Rs. 50 crores from June 30, 1961 and Rs. 61 crores from July 6, 1962 and (iv) National Agricultural Credit (Stabilisation) Fund of Rs. 1 crore from July 6, 1956, Rs. 2 crores from July 5, 1957, Rs. 3 crores from July 4, 1958, Rs. 4 crores from July 3, 1959, Rs. 5 crores from July 1, 1960, Rs. 6 crores from June 30, 1961 and Rs. 7 crores from July 6, 1962. (b) Excluding notes held in the

## AND WEEKLY) OF THE RESERVE BANK OF INDIA—(Contd.)

Departments combined)

(Lakhs of Rupees)

Gold coin and bullion(c) 11	Foreign assets(d) 12	Rupee coin(e) 13	Invest- ments(f) 14	ASSETS					Bills purchased and discounted 19	Other assets 20	
				LOANS AND ADVANCES TO			Govern- ments (g) 15	Sched- uled banks 16	State co-oper- ative banks 17	Others 18	
11	12	13	14	15	16	17	18	19	20		
117,76	93.79	122.32	1,951.87	27.12	42.65	139.50	2.09	105.67	34.21	47	
117,76	94.10	122.99	1,924.35	24.88	18.69	138.95	1.27	127.25	34.46	42	
117,76	95.92	124.69	1,884.78	27.88	6.29	139.54	1.34	125.24	34.42	43	
117,76	93.94	123.69	1,883.66	31.37	4.55	140.69	1.32	102.27	34.74	44	
117,76	93.97	123.11	1,882.54	35.44	11.18	142.04	1.37	136.73	35.05	45	
117,76	92.67	122.16	1,882.10	37.74	10.35	142.03	1.92	155.06	35.20	46	
117,76	94.35	123.44	1,881.22	39.65	1.53	141.37	1.50	139.63	35.31	47	
117,76	92.57	122.87	1,884.39	43.59	9.35	142.80	1.43	105.25	37.32	48	
117,76	93.62	121.23	1,920.94	40.53	5.97	144.71	1.21	96.05	29.36	49	
117,76	94.01	120.38	1,955.37	33.70	3.98	144.94	1.27	103.51	32.45	50	
117,76	93.22	122.02	1,960.26	43.78	2.48	144.72	1.77	106.06	32.43	51	
117,76	94.15	121.91	1,959.47	42.43	1.68	145.21	1.28	91.72	32.46	52	
117,76	93.53	124.69	1,969.42	33.78	5.20	145.09	1.73	78.44	32.13	53	
117,76	96.79	121.67	1,978.65	30.91	29.89	146.56	1.68	106.60	32.29	54	
117,76	97.01	121.97	1,994.73	36.71	18.57	147.57	1.77	85.59	32.19	55	
117,76	98.50	123.28	2,000.71	39.38	16.51	148.44	1.41	71.72	32.51	56	
117,76	96.79	124.03	2,002.31	40.32	20.70	149.49	1.41	72.37	33.02	57	
117,76	96.88	121.80	2,049.77	36.40	19.45	148.79	1.43	72.09	32.96	58	
117,76	97.41	120.44	2,084.20	38.86	25.04	148.14	1.40	66.37	33.00	59	
117,76	95.62	120.48	2,098.97	41.37	27.20	147.71	1.42	59.56	33.22	60	
117,76	95.47	121.50	2,097.83	43.55	23.57	146.14	1.37	47.77	33.39	61	
117,76	95.18	120.84	2,102.95	40.31	36.10	144.01	1.47	52.39	33.98	62	
117,76	98.75	117.62	2,103.53	48.27	43.72	143.79	1.46	75.14	34.16	63	
117,76	105.09	117.43	2,105.91	51.13	37.55	143.11	1.43	78.40	34.28	64	
117,76	107.04	117.88	2,105.94	50.20	38.61	141.81	1.45	61.26	34.08	65	
117,76	108.28	117.57	2,106.00	51.25	57.17	143.35	1.54	66.52	34.62	66	
117,76	112.20	114.06	2,112.76	39.46	83.49	140.80	1.56	87.74	34.85	67	
117,76	115.96	114.02	2,113.66	58.55	76.67	138.49	1.61	76.72	34.83	68	
117,76	117.57	115.66	2,113.99	54.31	69.38	136.18	1.66	60.76	34.87	69	
117,76	116.38	116.31	2,128.29	54.76	71.28	134.35	1.68	66.00	35.40	70	

Banking Department. (e) The gold reserves of the Issue Department are valued at the statutory rate of Rs. 21.24 per tola upto October 5, 1956 and at Rs. 62.50 per tola thereafter. (d) Including cash and short-term securities. (e) Including one rupee notes and subsidiary coins. (f) Comprising Government of India rupee securities, rupee securities of State Governments and approved securities like shares of the State Bank of India and the State Bank of Hyderabad, shares of the Industrial Finance Corporation and State Financial Corporations and debentures of land mortgage banks, etc. (g) Including temporary overdrafts to State Governments from August 23, 1957.

† Average of 39 weeks.

**STATEMENT 33—LIABILITIES AND ASSETS (ANNUAL AND WEEKLY) OF THE RESERVE BANK OF INDIA**

S 64

**REPORT ON CURRENCY AND FINANCE, 1962-63**

**(ISSUE DEPARTMENT)**

(Lakhs of Rupees)

		LIABILITIES			ASSETS		
	Notes in circulation	Notes held in the Banking Department	Total Liabilities (Total notes issued) or Assets	Gold coin and bullion (a)	Foreign securities	Rupee coin (b)	Government of India rupee securities
1	2	2	3	4	5	6	7
<i>Average of Friday figures</i>							
1959-60	1,163.21	1,749	1,180.40	40.02	624.70	57.21	438.47
1955-56	1,359.39	170.93	1,356.47	40.02	656.52	106.87	553.06
1956-57	1,475.77	18.75	1,494.52	40.02	545.98	115.93	755.22
1957-58	1,529.16	23.18	1,532.53	117.76	329.65	130.06	975.06
1958-59	1,593.88	19.34	1,613.21	117.76	182.04	133.99	1,179.42
1959-60	1,720.90	193.6	1,720.77	117.76	167.62	131.50	1,131.88
1960-61	1,861.13	18.94	1,881.07	117.76	134.99	126.84	1,592.48
1961-62	1,957.42	20.58	1,977.00	117.76	153.93	121.65	1,621.67
1962-63	2,114.89	20.29	2,135.18	117.76	93.42	119.32	1,894.68
<i>At the close of last Friday</i>							
1959-60	1,247.41	11.72	1,259.13	40.02	676.13	54.34	486.63
1955-56	1,466.64	11.77	1,476.44	40.02	656.12	103.16	678.82
1956-57	1,526.09	11.77	1,537.86	117.76	414.12	122.61	884.97
1958-59	1,579.13	10.21	1,589.35	117.76	171.19	129.29	1,171.10
1959-60	1,701.53	13.60	1,717.12	117.76	178.01	130.09	1,291.26
1960-61	1,844.90	21.94	1,866.84	117.76	163.01	124.14	1,461.93
1961-62	1,961.59	7.94	1,992.59	117.76	122.01	119.62	1,632.26
1962-63	2,070.10	25.37	2,095.97	117.76	13.86	116.91	1,747.14
<i>At the close of</i>							
<i>1962-63 (Weekly)</i>							
April	6	11	2,133.05	19.47	2,132.53	117.76	113.86
"	13	11	2,149.52	12.41	2,161.72	117.76	113.86
"	20	11	2,141.06	21.07	2,162.13	117.76	108.86
"	27	11	2,123.04	39.92	2,162.96	117.76	105.86
May	4	11	2,145.14	14.84	2,159.98	117.76	104.00
"	11	11	2,161.30	26.91	2,188.24	117.76	104.00
"	18	11	2,146.66	16.34	2,183.90	117.76	104.00
"	25	11	2,121.85	41.64	2,163.48	117.76	101.30
June	1	11	2,112.61	35.06	2,147.67	117.76	96.30
"	8	11	2,141.30	19.11	2,160.41	117.76	92.68
"	15	11	2,131.44	20.93	2,161.07	117.76	92.68
"	22	11	2,097.70	41.97	2,139.31	117.76	92.68
"	29	11	2,076.64	43.31	2,109.99	117.76	91.68

July	6	..	2,094.77	23.77	2,113.55	117.76	91.77	114.79	1,794.22
	13	..	2,090.32	14.15	2,104.47	117.76	91.09	115.61	1,780.01
"	20	..	2,050.76	16.31	2,077.07	117.76	89.34	118.13	1,751.83
"	27	..	2,035.53	27.91	2,064.63	117.76	96.14	120.56	1,729.97
August	3	..	..	2,045.20	18.72	2,063.92	117.76	92.84	1,733.49
"	10	..	..	2,053.71	20.03	2,083.74	117.76	89.34	1,757.00
"	17	..	..	2,054.07	15.81	2,069.88	117.76	89.34	1,742.00
"	24	..	..	2,029.06	22.65	2,051.91	117.76	88.84	1,722.50
"	31	..	..	2,011.38	2,033.53	117.76	88.34	124.43	1,723.00
September	7	..	..	2,044.06	12.31	2,056.37	117.76	88.34	1,728.00
"	14	..	..	2,041.70	15.38	2,057.08	117.76	88.34	1,728.03
"	21	..	..	2,019.79	18.97	2,038.76	117.76	88.34	124.63
"	28	..	..	2,011.48	28.30	2,039.78	117.76	88.34	125.63
October	5	..	..	2,054.34	17.85	2,072.19	117.76	88.31	123.04
"	12	..	..	2,071.14	20.12	2,091.25	117.76	88.08	123.10
"	19	..	..	2,047.88	19.65	2,067.53	117.76	88.08	123.38
"	26	..	..	2,049.22	17.14	2,066.96	117.76	88.08	122.82
November	2	..	..	2,063.79	21.48	2,085.28	117.76	85.08	121.14
"	9	..	..	2,065.96	17.50	2,104.46	117.76	88.08	120.32
"	16	..	..	2,071.26	13.85	2,091.11	117.76	83.08	121.97
"	23	..	..	2,057.90	13.09	2,075.59	117.76	88.08	123.29
"	30	..	..	2,071.31	12.48	2,083.78	117.76	88.08	124.55
December	7	..	..	..	2,122.59	13.16	2,135.75	117.76	88.08
"	14	..	..	..	2,123.28	10.78	2,136.96	117.76	88.08
"	21	..	..	..	2,121.97	15.39	2,137.36	117.76	88.08
"	28	..	..	..	2,120.38	27.97	2,145.26	117.76	88.08
1963	January	4	..	..	2,154.05	16.98	2,171.03	117.76	88.08
"	11	..	..	..	2,183.78	10.89	2,194.67	117.76	88.08
"	18	..	..	..	2,184.17	10.54	2,194.71	117.76	88.08
"	25	..	..	..	2,164.35	20.88	2,185.73	117.76	88.08
February	1	..	..	..	2,166.68	18.32	2,185.00	117.76	88.08
"	8	..	..	..	2,210.82	16.01	2,226.83	117.76	88.08
"	15	..	..	..	2,208.53	18.12	2,226.65	117.76	95.08
"	22	..	..	..	2,194.48	12.63	2,207.11	117.76	95.08
March	1	..	..	..	2,193.97	12.82	2,206.78	117.76	95.08
"	8	..	..	..	2,135.86	12.42	2,238.78	117.76	100.08
"	15	..	..	..	2,241.79	16.44	2,259.24	117.76	103.08
"	22	..	..	..	2,230.44	19.55	2,249.89	117.76	105.08
"	29	..	..	..	2,241.96	8.36	2,260.52	117.76	105.08
									116.26

(a) The gold reserves of the Issue Department are valued at the statutory rate of Rs. 21.24 per tola upto October 5, 1956 and at Rs. 62.50 per tola thereafter.

(b) Including Government of India one rupee notes issued from July 1940.

**STATEMENT 34—LIABILITIES AND ASSETS (ANNUAL AND WEEKLY) OF THE RESERVE BANK OF INDIA  
(BANKING DEPARTMENT)**

(Lakhs of Rupees)

	LIABILITIES										ASSETS									
	Central Government	State Banks	Other	Total	Liabilities (a)	Other assets	Total liabilities (b)	Notes and coins	Held by Government	State banks	Other banks	State banks	Other banks	Invest- ment assets	Other assets	Bills pur- chased and dis- counted				
Central Government	148,60	17,71	62,22	20,82	28,14	318,97	17,31	207,70	2,37	6,77	—	—	—	—	—	—	—	76,72	5,06	
State Banks	60,11	19,85	52,77	18,71	45,59	197,64	17,21	66,96	1,73	36,99	9,78	49,36	15,61	—	—	—	—	—	—	
Other banks	52,46	14,10	19,65	13,11	10,21	145,01	18,91	64,77	4,89	85,24	5,69	213,92	14,52	—	—	—	—	—	—	
Total	11,70	11,28	11,58	11,58	10,47	149,36	107,63	23,30	40,47	32,90	77,91	—	—	—	—	—	—	—	—	
Central Government	54,61	12,65	52,53	12,53	11,82	158,27	12,53	40,47	28,23	65,81	6,18	284,49	11,73	—	—	—	—	—	—	—
State Banks	20,20	20,20	19,53	19,53	19,53	118,73	19,41	25,57	26,85	28,53	88,92	15,54	122,22	13,61	—	—	—	—	—	—
Other banks	55,40	21,24	79,61	13,38	28,18	161,18	16,81	19,94	23,53	13,27	132,78	28,71	209,56	15,38	—	—	—	—	—	—
Total	61,73	21,27	91,70	58,76	58,76	279,06	185,33	46,39	19,02	20,74	138,19	13,76	210,74	21,93	—	—	—	—	—	—
Central Government	60,71	16,55	51,85	140,73	140,73	329,94	20,41	80,91	19,64	16,11	63,87	13,76	177,69	16,82	—	—	—	—	—	—
State Banks	61,49	16,28	85,35	164,77	164,77	329,89	227,39	55,29	20,34	7,56	56,42	15,24	78,15	20,61	34,97	—	—	—	—	—
Total	82,35	19,41	47	—	—	—	—	—	—	—	—	21,71	140,32	1,377	—	—	—	—	—	—
At the close of Friday	1930-31	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949
Central Government	162,01	26,40	59,28	72,31	32,03	31,10	35,13	11,89	206,50	1,56	16,75	—	—	—	—	—	—	—	—	—
State Banks	67,34	67,07	53,24	66,63	109,30	59,46	25,77	11,92	89,71	—	79,94	12,23	47,91	17,77	—	—	—	—	—	—
Other banks	63,57	31,95	57,77	74,28	28,56	171,01	30,93	11,95	11,31	7,65	127,87	2,98	121,22	13,61	—	—	—	—	—	—
Total	48,35	54,85	67,81	117,52	128,56	177,52	47,56	46,99	10,35	35,81	78,40	7,68	288,41	14,08	—	—	—	—	—	—
Central Government	51,81	26,72	67,57	119,07	267,19	190,67	45,76	15,67	35,05	24,77	113,44	5,18	251,70	14,26	—	—	—	—	—	—
State Banks	65,55	42,97	92,90	100,10	299,42	216,34	52,92	34,11	22,34	15,67	156,53	33,60	225,58	14,26	—	—	—	—	—	—
Other banks	76,46	26,99	70,85	87,96	264,25	221,39	485,61	7,94	13,21	39,02	185,50	39,17	180,95	14,21	—	—	—	—	—	—
Total	71,10	15,87	72,73	132,16	312,27	231,34	54,12	25,42	15,64	10,89	177,69	46,60	165,43	14,21	—	—	—	—	—	—
Central Government	54,83	31,42	74,91	4	172,39	337,09	263,18	600,27	8,62	11,30	54,76	71,28	134,35	1,68	66,00	216,87	35,40	—	—	—
At the close of Friday	1946-67	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965
Central Government	73,61	6,80	86,18	151,90	314,49	225,88	54,37	19,54	11,31	95,53	152,41	—	—	—	—	—	—	—	—	—
State Banks	81,27	3,89	86,39	153,51	316,89	226,91	55,82	12,47	6,16	192,22	135,36	89,96	55,70	—	—	—	—	—	—	—
Other banks	51,06	14,76	59,52	153,56	302,99	234,83	50,71	21,14	9,01	125,87	131,56	61,00	52,11	—	—	—	—	—	—	—
Total	53,64	14,79	85,15	153,96	306,11	234,91	54,02	39,99	6,53	10,23	127,82	48,02	172,67	15,73	—	—	—	—	—	—
May	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
At the close of Friday	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government	6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
State Banks	13	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other banks	20	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	27	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
May	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
At the close of Friday	1962-63	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government	73,61	6,80	86,18	151,90	314,49	225,88	54,37	19,54	11,31	95,53	152,41	—	—	—	—	—	—	—	—	—
State Banks	81,27	3,89	86,39	153,51	316,89	226,91	55,82	12,47	6,16	192,22	135,36	89,96	55,70	—	—	—	—	—	—	—
Other banks	51,06	14,76	59,52	153,56	302,99	234,83	50,71	21,14	9,01	125,87	131,56	61,00	52,11	—	—	—	—	—	—	—
Total	53,64	14,79	85,15	153,96	306,11	234,91	54,02	39,99	6,53	10,23	127,82	48,02	172,67	15,73	—	—	—	—	—	—
May	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
At the close of Friday	1962-63 (Weekly)	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government	73,61	6,80	86,18	151,90	314,49	225,88	54,37	19,54	11,31	95,53	152,41	—	—	—	—	—	—	—	—	—
State Banks	81,27	3,89	86,39	153,51	316,89	226,91	55,82	12,47	6,16	192,22	135,36	89,96	55,70	—	—	—	—	—	—	—
Other banks	51,06	14,76	59,52	153,56	302,99	234,83	50,71	21,14	9,01	125,87	131,56	61,00	52,11	—	—	—	—	—	—	—
Total	53,64	14,79	85,15	153,96	306,11	234,91	54,02	39,99	6,53	10,23	127,82	48,02	172,67	15,73	—	—	—	—	—	—
May	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
At the close of Friday	1962-63 (Weekly)	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government	73,61	6,80	86,18	151,90	314,49	225,88	54,37	19,54	11,31	95,53	152,41	—	—	—	—	—	—	—	—	—
State Banks	81,27	3,89	86,39	153,51	316,89	226,91	55,82	12,47	6,16	192,22	135,36	89,96	55,70	—	—	—	—	—	—	—
Other banks	51,06	14,76	59,52	153,56	302,99	234,83	50,71	21,14	9,01	125,87	131,56	61,00	52,11	—	—	—	—	—	—	—
Total	53,64	14,79	85,15	153,96	306,11	234,91	54,02	39,99	6,53	10,23	127,82	48,02	172,67	15,73	—	—	—	—	—	—
May	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
At the close of Friday	1962-63 (Weekly)	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government	73,61	6,80	86,18	151,90	314,49	225,88	54,37	19,54	11,31	95,53	152,41	—	—	—	—	—	—	—	—	—
State Banks	81,27	3,89	86,39	153,51	316,89	226,91	55,82	12,47	6,16	192,22	135,36	89,96	55,70	—	—	—	—	—	—	—
Other banks	51,06	14,76	59,52	153,56	302,99	234,83	50,71	21,14	9,01	125,87	131,56	61,00	52,11	—	—	—	—	—	—	—
Total	53,64	14,79	85,15	153,96	306,11	234,91	54,02	39,99	6,53	10,23	127,82	48,02	172,67	15,73	—	—	—	—	—	—
May	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
At the close of Friday	1962-63 (Weekly)	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government	73,61	6,80	86,18	151,90	314,49	225,88	54,37	19,54	11,31	95,53	152,41	—	—	—	—	—	—	—	—	—
State Banks	81,27	3,89	86,39	153,51	316,89	226,91	55,82	12,47	6,16	192,22	135,36	89,96	55,70	—	—	—	—	—	—	—
Other banks	51,06	14,76	59,52	153,56	302,99	234,83	50,71	21,14	9,01	125,87	131,56	61,00	52,11	—	—	—	—	—	—	—
Total	53,64	14,79	85,15	153,96	306,11	234,91	54,02	39,99	6,53	10,23	127,82	48,02	172,67	15,73	—	—	—	—	—	—
May	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
At the close of Friday	1962-63 (Weekly)	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government	73,61	6,80	86,18	151,90	314,49	225,88	54,37	19,54	11,31	95,53	152,41	—	—	—	—	—	—	—	—	—
State Banks	81,27	3,89	86,39	153,51	3															

## MONEY AND BANKING

June	1	50,95	13,07	89,38	35,16	8,82	103,79	122,19	
"	8	52,70	8,31	85,06	9,95	111,32	129,66	122,61	
"	15	57,43	5,17	87,14	19,16	9,95	111,32	124,51	
"	22	63,77	4,71	98,62	51,62	9,02	118,67	124,51	
"	29	53,36	25,49	98,70	149,65	327,21	260,39	383,38	
July	6	48,16	25,19	105,56	3,63	2,193,42	591,06	41,35	
"	13	53,27	17,46	88,52	1,97	2,192,22	353,47	41,35	
"	20	45,33	14,23	106,84	1,74	2,193,84	365,85	41,35	
"	27	54,58	25,59	101,04	2,02	2,207,63	380,87	41,35	
August	3	45,08	36,07	93,23	1,63	2,201,80	381,84	20,87	
"	10	58,21	21,15	89,15	2,03	2,204,64	377,59	20,87	
"	17	62,71	16,92	106,29	2,06	2,160,51	359,11	20,87	
"	24	59,07	11,92	106,29	1,91	2,173,84	353,06	20,87	
"	31	92,12	34,85	79,30	1,81	2,164,19	372,29	20,87	
September	7	114,74	21,64	82,81	1,64	2,162,92	384,60	20,87	
"	14	84,42	29,40	82,81	1,64	2,160,25	359,45	20,87	
"	21	73,78	15,71	84,66	1,90	2,160,13	326,20	20,87	
"	28	61,79	13,76	83,93	1,77	2,163,09	324,26	20,87	
October	5	60,87	17,95	83,43	2,12	2,169,63	324,73	20,87	
"	12	59,49	21,20	81,84	1,82	2,161,45	325,81	20,87	
"	19	52,42	15,27	88,03	1,77	2,169,86	317,43	20,87	
"	26	51,01	9,75	97,17	1,50	3,161,03	302,61	20,87	
November	2	49,95	10,03	72,38	1,72	3,160,15	294,21	21,57	
"	9	50,43	17,56	80,51	1,95	3,160,07	311,16	21,57	
"	16	60,77	7,06	91,09	1,81	3,162,26	323,09	21,57	
"	23	65,32	5,71	81,21	1,87	3,163,46	317,66	21,57	
"	30	51,90	10,23	68,78	1,69	3,162,07	297,05	21,57	
December	7	54,14	21,26	72,36	1,73	6,165,28	314,84	21,57	
"	14	51,21	13,48	78,14	1,53	6,160,46	304,87	21,57	
"	21	51,15	7,54	74,23	1,61	6,162,47	297,05	21,57	
"	28	53,28	6,12	81,18	2,52	6,160,50	304,91	21,57	
1963	January	4	53,79	15,79	75,26	2,20	6,163,10	310,20	23,07
"	11	52,45	2,69	73,37	1,71	6,162,03	315,31	23,07	
"	18	53,87	20,87	78,93	1,66	6,164,70	319,53	23,07	
February	1	79,17	12,18	74,20	1,77	4,165,53	332,30	24,60	
"	8	89,31	7,99	73,42	1,63	4,165,53	332,30	24,60	
"	15	86,38	8,95	79,05	1,84	5,163,38	335,42	24,60	
"	22	84,46	9,80	77,84	2,31	5,162,56	337,52	24,60	
March	1	103,95	12,87	87,77	1,84	2,163,99	359,64	24,60	
"	8	123,93	16,43	69,75	2,09	2,163,99	380,44	24,60	
"	15	63,12	35,69	72,22	1,83	5,165,32	357,68	24,60	
"	22	61,66	2,62	71,69	2,51	4,172,39	337,62	24,60	
"	29	55,83	31,82	74,91	2,49	4,172,39	337,62	24,60	

(a) Including (i) paid-up capital of Rs. 5 crores, (ii) reserves and of Rs. 5 crores upto June 30, 1957 and of Rs. 10 crores from July 1, 1957 and of Rs. 20 crores from July 1, 1958, Rs. 15 crores from July 1, 1959, Rs. 20 crores from July 1, 1960, Rs. 20 crores from July 1, 1961, and Rs. 20 crores from July 1, 1962 and (b) including cash and short-term securities.

† Average of 39 weeks.

**STATEMENT 35—(A) REMITTANCES THROUGH THE RESERVE BANK OF INDIA**

Telegraphic Transfers Issued and Paid

Year/Half year	TOTAL		BOMBAY		CALCUTTA		NEW DELHI		KANPUR		MADRAS MANGALORE(*)		NAGPUR (*)			
	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1952-53	791.6	1,018.6	229.1	346.7	325.3	468.9	105.4	54.4	53.3	64.5	78.5	154.4	107.7	10.7	50.6	
1953-54	1,079.8	1,075.6	192.0	462.7	585.5	240.9	150.8	140.0	43.6	67.2	82.9	145.8	25.1	12.7	59.7	
1954-55	1,365.6	1,326.2	217.0	548.8	668.6	360.2	216.8	156.3	66.2	64.2	113.6	322.2	12.5	56.6	59.7	
1955-56	1,416.6	1,377.8	227.7	652.4	810.8	314.2	214.4	203.9	80.3	142.7	141.6	311.3	41.1	56.6	85.4	
1956-57	1,670.5	1,637.8	217.7	617.1	582.4	414.8	203.9	87.1	77.3	164.2	216.7	341.9	41.1	54.4	33.8	
1957-58	1,672.3	1,636.6	397.3	617.1	582.4	414.8	203.9	87.1	77.3	164.2	187.0	341.9	41.1	54.4	33.8	
1958-59	1,727.2	2,111.4	341.7	652.4	817.9	216.8	216.8	87.4	55.8	164.5	171.7	56.3	18.2	664.3	22.5	
1959-60	2,267.2	2,111.4	341.7	652.4	817.9	216.8	216.8	87.4	55.8	164.5	171.7	56.3	17.1	879.2	22.5	
1960-61	2,511.0	2,111.4	2,647.0	613.8	989.8	2,136.3	383.1	415.4	108.1	85.7	180.0	201.3	59.0	13.0	118.9	21.6
1961-62	2,120.6	1,896.6	3,246.6	458.1	809.8	1,042.4	4,609.0	417.9	361.7	116.7	442.9	222.4	247.1	60.8	13.0	118.9
1962-63	3,163.2	3,163.2	3,246.6	506.4	726.1	3,191.6	6,659.0	458.4	442.9	139.0	661.7	92.9	29.8	5.5	431.6	7.0
April 1961 to September 1961	1,577.6	1,493.5	198.7	458.1	539.5	203.7	203.7	458.1	166.1	166.1	166.1	166.1	5.2	5.2	5.2	5.2
April 1961 to March 1962	1,541.0	1,397.4	198.7	539.5	542.9	667.9	214.7	172.7	50.6	48.9	87.2	114.5	6.7	54.5	8.7	
October 1961 to March 1962	1,542.7	1,599.5	203.1	403.0	639.9	800.9	229.8	166.1	71.1	10.8	112.2	113.3	29.9	6.7	54.5	8.7
April 1962 to September 1962	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7	1,542.7
October 1962 to March 1963	2,059.4	1,647.1	1,503.3	1,523.7	1,711.8	3,374.7	226.6	226.6	50.0	35.0	109.5	127.9	30.9	6.3	575.4	23.5

**(B) REMITTANCES (c) BETWEEN THE OFFICES OF THE STATE BANK OF INDIA (d)**

Year	To Bengal Circle from				To Bombay Circle from				To Madras Circle from				To Delhi Circle from				
	Total	Items	Bengal	Madras	Total	Bengal	Madras	Delhi	Total	Bengal	Madras	Gulf	Total	Items	Bengal	Madras	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1960-51	1,217.4	477.6	146.2	91.9	16.5	446.5	1,122.1	263.4	56.0	291.3	311.2	35.4	226.8	15.3	15.3	224.0	
1955-56	719.1	585.1	113.2	37.7	615.3	217.4	368.6	39.9	311.5	50.6	50.6	50.6	50.6	50.6	50.6	50.6	
1956-57	1,962.4	1,312.4	1,018.4	758.6	40.8	749.9	243.1	419.7	85.9	361.8	50.2	60.6	254.4	15.3	15.3	224.0	
1957-58	2,127.4	1,407.4	1,018.4	758.6	40.8	811.9	215.0	416.4	100.5	452.1	60.9	73.7	317.5	15.3	15.3	224.0	
1958-59	2,097.7	1,29.4	407.4	109.6	55.3	96.9	141.2	116.7	116.7	169.5	583.1	41.4	78.7	368.6	14.4	450.0	127.1
1959-60	2,011.0	841.8	417.4	157.2	54.2	156.2	812.6	102.7	544.4	102.3	611.7	45.6	137.6	438.7	19.4	601.8	143.0
1960-61	3,881.1	1,011.9	612.6	199.2	63.7	169.4	1,057.4	124.4	718.9	102.8	111.3	53.9	157.4	40.7	77.3	150.4	210.5
1961-62	3,940.6	1,076.4	63.5	199.7	65.1	158.0	1,727.6	166.6	802.0	167.8	702.6	65.6	129.4	538.4	41.2	76.6	292.424.1
1962-63	4,253.4	1,324.5	100.0	274.7	69.7	210.0	1,335.2	185.2	919.4	144.7	899.3	63.5	211.4	587.0	36.0	945.8	204.7

Note : (a) Figures relate to the Indian Union.

(b) Opened in July 1953. (c) Telegraphic transfers held, mail transfers received, drafts held and demand drafts purchased.

(d) Figures prior to July 1, 1953. (e) Opened in September 1956. (f) Opened since January 1, 1958. (g) Opened in the Imperial Bank of India. (h) Opened in Bengal and Bihar Circles.

# STATEMENT 36—CONSENTS FOR CAPITAL ISSUES, 1956-62

(Amount in crores of Rupees)

## CAPITAL MARKET

Classification	Applications (a)		Total		Initial (b)		Others (b)		Debentures		Further		Consents	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Miscellaneous (Loans etc.) (c)	Bonus	Number	Amount
<b>A. Non-Government Companies</b>														
Industrial	315	196.37	307	188.70	107	62.40	100	36.97	16	43.30	19	34.53	65	11.49
Non-industrial	95	31.03	90	30.75	8	4.20	38	16.17	—	—	14	8.36	30	2.02
Of which :														
(i) Agriculture and allied activities	27	3.18	27	3.18	2	0.75	1	0.58	—	—	5	0.64	19	1.21
(ii) Financial	36	10.86	34	10.76	1	0.25	29	8.42	—	—	1	1.92	3	0.17
(iii) Trade and transport	21	11.46	18	11.44	1	0.25	6	6.21	—	—	5	4.71	6	0.27
(iv) Others	11	5.52	11	5.37	4	2.95	2	0.96	—	—	3	1.10	2	0.37
Total for 1962	410	217.39	397	219.45	115	66.00	138	53.14	16	43.30	33	42.89	95	13.51
Total for 1961	351	202.06	335	185.06	110	56.43	106	53.03	16	21.24	34	42.02	69	10.34
Total for 1960	290	151.96	277	150.13	85	50.22	126	44.06	18	19.66	29	35.42	19	6.77
Total for 1959	264	152.60	242	149.58	47	49.09	103	53.27	13	9.90	50	34.44	29	2.88
Total for 1958	281	96.23	259	89.45	33	18.59	120	31.46	21	13.32	39	13.32	47	9.88
Total for 1957	484(d)	182.73(d)	333	155.37	50	36.32	123	31.99	22	9.09	35	42.57	103	15.40
Total for 1956	362(d)	254.49(d)	281	170.75	61	27.84	197	70.87	10	10.25	31	53.28	72	8.50
<b>B. Government Companies</b>														
Industrial	37	430.37	37	157.62	4	5.15	30	150.29	1	1.00	2	1.17	—	—
Non-industrial	13	4.43	13	4.43	2	0.75	9	2.78	—	—	2	0.90	—	—
Of which :														
(i) Agriculture and allied activities	4	1.48	4	1.48	—	0.50	3	0.98	—	—	—	—	—	—
(ii) Financial	6	2.41	6	2.41	—	—	4	1.51	—	—	2	0.90	—	—
(iii) Trade and transport	3	0.55	3	0.55	1	0.25	2	0.30	—	—	—	—	—	—
(iv) Others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total for 1962	50	434.80	50	162.05	6	5.90	39	153.08	1	1.00	4	2.07	—	—
Total for 1961	23	82.53	23	62.96	9	5.15	13	56.81	1	1.00	—	—	—	—
Total for 1960	37	140.50	37	139.50	12	49.74	14	74.41	—	—	11	14.72	(e)	0.63
Total for 1959	22	53.88	22	53.88	4	28.20	14	23.75	—	—	4	1.93	—	—
Total for 1958	23	333.52	23	333.52	5	2.36	12	321.14	2	2.17	4	7.91	—	—
Total for 1957	—	—	—	—	12	17.95	4	7.00	5	6.35	3	4.60	—	—
Total for 1956	—	—	—	—	16	59.40	8	52.45	6	5.80	2	1.15	—	—

Note. Figures are taken from the Quarterly Statistics on the Working of Capital Issues Control and do not take into account supersessions and amendments made subsequently.

(a) Figures relate only to applications disposed of and not to applications received. (b) Includes ordinary and preference shares. (c) Loans raised by companies by creating a charge or lien on their assets. (d) Includes figures in respect of Government companies (e) Formed part of a further issue of shares and loans.

Source : Office of the Controller of Capital Issues

## AND GOVERNMENT COMPANIES

(Crores of Rupees)

1961 (Revised)					1962 (Preliminary)				
Capital paid-up during the year against consents		Capital raised under exemp- tion order		Total capital raised (i.e. paid-up)	Capital paid-up during the year against consents		Capital raised under exemp- tion order		Total capital raised (i.e. paid-up)
Public	Private	Public	Private	15	Public	Private	Public	Private	20
11	12	13	14	15	16	17	18	19	20
<b>Companies</b>									
24.06	6.46	0.84	4.28	35.64	22.38	1.42	0.57	3.25	27.61
1.65	0.08	0.01	0.02	1.75	0.90	—	—	0.01	0.91
31.17	3.94	4.08	6.40	45.59	26.21	1.30	5.41	8.26	41.19
3.57	0.06	0.11	0.10	3.85	0.98	—	0.21	0.14	1.33
11.49	0.60	—	—	12.09	29.18	0.17	—	—	29.35
71.95	11.14	5.04	10.79	98.92	79.66	2.89	6.19	11.66	100.39
5.77	1.63	—	—	7.40	10.61	2.13	—	—	12.74
8.03	5.71	—	—	13.74	12.19	5.05	—	—	17.23
85.75	18.48	5.04	10.79	120.06	102.46	10.06	6.19	11.66	130.36
<b>Companies</b>									
0.25	3.78	—	—	4.03	1.91	2.60	—	—	4.50
—	—	—	—	—	0.28	—	—	—	0.28
—	56.95	—	—	56.95	1.04	115.34	0.01	0.02	116.40
—	—	—	—	—	—	0.01	—	—	0.01
—	—	—	—	—	—	1.00	—	—	1.00
0.25	60.73	—	—	60.98	3.22	118.94	0.01	0.02	122.19
—	—	—	—	—	—	—	—	—	—
0.20	—	—	—	0.20	0.30	—	—	—	0.30
0.45	60.73	—	—	61.17	3.52	118.94	0.01	0.02	122.49

(a) Issues of new companies. (b) Issues of existing companies.

Source : Office of the Controller of Capital Issues.

## STATEMENT 38—LIABILITIES AND ASSETS OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA

(Lakhs of Rupees)

	LIABILITIES						ASSETS											
	As on last Friday of March						As on last Friday of March											
	1950- 51	1955- 56	1957- 58	1958- 59	1959- 60	1960- 61	1961- 62	1962- 63		1950- 51	1955- 56	1957- 58	1958- 59	1959- 60	1960- 61	1961- 62	1962- 63	
1. Capital issued and paid-up	... 5,00	5,00	5,00	5,00	5,00	5,00	6,84	7,00	1. Cash in hand and with bankers	... 47	2	5,99	72	4	3,00	2,91	3,59	
2. Reserve Fund :—									2. Investments in Government securities	4,58	—	—	—	—	—	—	—	
(i) Special reserve fund under Sec. 32(A)(1) of the I.F.C. Act	— 14	23	27	32	36	41	47	5	3. Loans & advances	5,21	14,91	26,20	32,10	36,73	40,74	45,48	55,63	
(ii) Other reserves	... 1	6	7(a)	18	32	70	1,34	1,75	4. Debentures	... 41	—	—	—	—	—	—	1,72	
3. Reserve for doubtful debts	— 20	15	15	15	15	14	14	5. Other assets	... 41	67	1,80	1,57	4,30	7,34	12,95	16,14		
4. Provision for taxation	— 10	16	24	38	50	59	59											
5. Bonds & debentures...	5,40	7,81	12,37	16,75	22,24	22,24	22,24	28,24										
6. Drawings from the Reserve Bank of India(b)	— 61	—	94	88	51	—	—	—										
7. Borrowings from Government(c)	—	—	—	—	—	—	—	—										
8. Other liabilities	... 37	80	1,02	1,51	3,53	6,37	12,03	15,14	Total	... 10,68	14,70	31,99	35,04	41,07	51,89	61,34	77,09	
									Total	... 10,68	14,70	31,99	35,04	41,07	51,89	61,34	77,09	

(a) Includes Rs. 1 lakh in respect of reserve for contingencies. (b) Under Section 21 (1) (b) of the Industrial Finance Corporation Act, 1948 (as amended). (c) Under Section 21(4) of the Industrial Finance Corporation Act, 1948 (as amended). (d) Includes Rs. 1,99 lakhs as on March 25, 1960, Rs. 4,77 lakhs as on March 31, 1961, Rs. 10,40 lakhs as on March 30, 1962 and Rs. 12,46 lakhs as on March 29, 1963 in respect of Quarantine and Underwriting Agreements per Cent.

Source : Industrial Finance Corporation of India.

### **STATEMENT 39—OPERATIONS OF STATE FINANCIAL CORPORATIONS**

(Lakhs of Rupees)

CAPITAL MARKET

S 73

(e) Includes in respect of some corporations, loans subsequently declined by industrial concerns or cancelled or reduced by the corporation.

Source : State Financial Corporations.

**STATEMENT 40—PRICES (IN BOMBAY) OF GOVERNMENT OF INDIA  
SECURITIES, 1962-63**

(In Rupees)

Loan	As on		Average (c) for					1962-63		Difference of March 1963 over March 1962
	Nov. 14, 1951	May 15, 1957	March 1962	June 1962	Sept. 1962	Dec. 1962	March 1963	Highest	Lowest	
	1	2	3	4	5	6	7	8	9	10
<i>Terminable</i>										
<i>Under 5 years</i>										
2½% 1962 (b) ..	94.44	93.90	99.21	99.30	99.75			99.80	99.25	
3½% 1962 (c) ..		97.80	99.90	99.90				99.90	99.90	
3½% 1963 ..			99.95	99.95	99.95	99.90	99.90	99.95	99.90	-0.05
3 ½% 1963-65 ..	95.69	94.10	98.65	98.70	99.05	99.00	99.44	99.70	98.50	+0.79
3 ½% 1964 ..	95.75	94.45	98.65	98.65	98.90	98.90	98.90	98.95	93.65	+0.25
3½% 1964 ..		98.25	99.85	99.91	99.92	99.65	99.23	100.00	99.05	-0.92
3½% 1965 ..		98.20	99.65	99.64	99.81	99.55	99.00	99.85	99.00	-0.65
3½% 1966 ..			99.60	99.60	99.64	99.57	98.94	99.70	98.85	-0.65
3 ½% 1966-68 ..	93.94	92.05	96.20	96.33	96.95	96.66	96.18	96.95	95.90	-0.05
3½% 1967 ..		92.50	98.85	98.81	98.80	98.51	97.96	98.50	97.50	-0.89
3½% 1967 ..			99.85	99.85	99.72	99.30	99.05	99.90	99.05	-0.89
<i>Between 5 and 10 years</i>										
3½% 1968 ..			98.62	98.62	98.34	98.00	98.00	98.65	98.00	-0.62
3½% 1968 ..			100.00	99.85	99.23	99.32	98.75	100.00	98.70	-1.25
3½% 1969 ..			98.30	98.25	97.80	97.41	97.01	98.30	95.95	-1.29
3 ½% 1970-75 ..	92.31	87.20	89.78	89.63	88.96	88.25	85.55	89.70	84.95	-4.25
4 ½% 1972 ..		100.30	100.30	99.35	99.30	98.98	100.30	100.30	95.95	-1.32
4½% 1972 (d) ..						100.00	100.00	100.00	100.00	
<i>Between 10 and 15 years</i>										
4 ½% 1973 ..			100.14	100.11	99.30	99.25	99.25	100.20	99.20	-0.89
3½% 1974 ..	98.50	99.42	99.25	98.47	98.30	98.27	99.40	97.50		-1.15
2½% 1976 ..	89.00	83.15	83.50	83.50	83.50	83.50	83.50	83.50	83.50	
6½% 1977 (e) (Gold Bonds)							115.74	116.00	115.00	
<i>Over 15 years</i>										
4 ½% 1979 ..			99.30	99.31	98.65	98.53	98.10	99.40	98.10	-1.20
4 ½% 1980 ..			99.26	99.26	98.57	98.27	98.17	99.40	98.15	-1.09
4 ½% 1981 ..			98.50	98.58	98.60	98.54	98.40	99.00	98.40	-0.10
4½% 1985 (f) ..					100.20	100.06	100.00	100.20	100.00	
<i>Non-terminable</i>										
3% 1986 or later ..	92.50	74.15	70.95	71.04	68.66	63.02	63.22	71.25	63.00	-7.73
3% Rupee paper ..	92.50	73.00	70.90	70.90	69.75	68.67	62.90	70.90	62.90	-8.00

Note : The maturity classification is as of March 31, 1963 and on the assumption of the earlier date of redemptions. (a) Average of closing quotations for working days. (b) Redeemed on November 15, 1962. (c) Redeemed on July 16, 1962. (d) Quoted from November 23, 1962. (e) Quoted from February 4, 1963. (f) Quoted from July 12, 1962.

**STATEMENT 41—AVERAGE YIELDS ON GOVERNMENT OF INDIA SECURITIES  
(ANNUAL AND MONTHLY)**

Term/maturity	As on	Average for						Annual average		Difference of March 1963 over March 1962
		Nov. 14, 1951	May 15, 1957	March 1962	June 1962	Sept. 1962	Dec. 1962	March 1963	1962-63	1961-62
<b>Under 5 years</b>										
2½% 1962(e)	..	..	..	3.36	4.00	3.97	4.45	4.28	4.26	3.61
3½% 1963(f)	..	..	..	3.73	3.56	4.43	4.40	4.37	3.61	3.38
3½% 1965	..	..	..	3.46	4.11	4.16	3.55	3.75	4.15	+0.61
3½% 1965-65	..	..	..	(3.40)	(3.87)	(3.65)	(3.47)	(3.38)	5.26	4.65
3½% 1966	..	..	..	3.42	3.91	3.63	3.71	3.65	(3.27)	(3.42)
3½% 1966	..	..	..	3.79	3.53	3.53	3.61	3.76	3.91	(-0.18)
3½% 1965	..	..	..	3.76	3.61	3.61	3.55	3.77	4.23	+0.28
3½% 1966	..	..	..	3.60	3.60	3.61	3.57	3.69	3.68	+0.65
3½% 1966-68	..	..	..	3.52	4.02	3.92	3.60	3.63	3.84	+0.35
3½% 1967	..	..	..	(3.48)	(3.87)	(3.66)	(3.66)	(3.65)	3.96	3.58
3½% 1967	..	..	..	3.68	3.74	3.76	3.78	3.86	(3.77)	(0.25)
<b>Between 5 and 10 years</b>										
3½% 1968	..	..	..	3.74	3.75	3.75	3.82	3.90	3.91	+0.25
3½% 1968	..	..	..	3.75	3.75	3.78	3.90	3.89	4.02	+0.25
3½% 1969	..	..	..	3.77	3.79	3.87	3.79	3.96	4.05	+0.27
3½% 1970-75	..	..	..	3.52	4.26	4.45	4.51	4.66	5.35	+0.28
4% 1972	..	..	..	(3.44)	(3.99)	(3.99)	(4.01)	(4.10)	(4.52)	+0.90
4½% 1972(e)	..	..	..	3.97	3.97	4.08	4.09	4.13	(4.18)	(-0.53)
<b>Between 10 and 15 years</b>										
4% 1973	..	..	..	3.98	3.99	4.05	4.11	4.12	4.16	+0.17
4% 1974	..	..	..	3.81	3.83	3.91	3.94	3.94	3.89	+0.11
2½% 1976	..	..	..	4.29	4.31	4.33	4.36	4.38	4.33	+0.13
6½% 1977 (Gold Bonds) (d)	..	..	..	3.41	4.01	4.11	4.49	4.50	4.99	+0.09
<b>Over 15 years</b>										
4% 1979	..	..	..	4.06	4.06	4.11	4.12	4.16	4.11	+0.10
4% 1980	..	..	..	4.06	4.06	4.11	4.14	4.15	4.11	+0.09
4% 1981	..	..	..	4.11	4.11	4.11	4.11	4.12	4.11	+0.11
4½% 1985(e)	..	..	..	..	..	4.49	4.50	4.50	4.49	+0.01
<b>Non-convertible</b>										
3% 1986 or later(f)	..	..	..	3.37	4.04	4.23	4.24	4.27	4.74	+0.16
3% Rupee Paper(f)	..	..	..	3.25	4.11	4.24	4.30	4.37	4.77	+0.51

Note : The maturity classification is as of March 31, 1963 and on the assumption of the earlier date of redemption. Yields are gross, i.e. not allowing for income tax and are based on prices quoted at Bombay. In the case of two dated loans, the yields to the later date of redemption are shown in brackets. (e) Redeemed on November 15, 1962. (b) Redeemed on July 16, 1962. (c) Quoted from November 22, 1962. (d) Quoted from February 12, 1962. (f) Quoted from February 12, 1962.

(e) Quoted from July 12, 1962. (f) Quoted from February 12, 1962.

## STATEMENT 42—ALL-INDIA AND REGIONAL INDICES (ANNUAL)

(Compiled by the Department of Statistics)

	Government and Semi-Government Securities				Debentures			
	All-India 1	Bombay 2	Calcutta 3	Madras 4	All-India 5	Bombay 6	Calcutta 7	Madras 8
<b>Last week of</b> <b>(Base: 1949-50 = 100)</b>								
1 1955-56 .. .. 90.9 90.3 90.8 91.2 101.1 100.0 102.1 100.1								
2 1956-57 .. .. 90.0 89.3 89.9 90.2 98.9 99.0 98.6 99.5								
3 1957-58 .. .. 89.4 88.8 89.2 89.6 97.2 96.5 97.3 97.4								
<b>(Base: 1952-53 = 100)</b>								
4 1957-58 .. .. 98.6 98.6 98.5 98.5 98.9 98.4 100.0 98.5								
5 1958-59 .. .. 100.7 100.7 100.6 100.7 101.5 102.2 102.3 99.0								
6 1959-60 .. .. 101.3 101.3 101.2 101.2 101.4 102.1 102.0 99.6								
7 1960-61 .. .. 101.0 101.1 101.0 100.8 100.7 100.9 101.6 99.2								
8 1961-62 .. .. 100.6 100.6 100.6 100.6 100.9 100.0 103.0 99.2								
9 1962-63 .. .. 99.0 98.7 98.3 99.7 98.2 97.1 99.9 99.2								
<b>1962-63 Weekly</b> <b>Week ended</b>								
1962								
10 April 7 .. .. 100.6 100.6 100.6 101.0 100.0 103.1 99.2								
11 " 14 .. .. 100.6 100.7 100.5 101.0 100.1 103.1 99.2								
12 " 21 .. .. 100.6 100.7 100.5 101.0 100.1 103.1 99.2								
13 " 28 .. .. 100.6 100.7 100.5 100.6 100.1 103.1 99.2								
14 May 5 .. .. 100.6 100.7 100.5 100.6 100.1 103.1 99.2								
15 " 12 .. .. 100.6 100.7 100.5 100.6 100.9 103.1 99.2								
16 " 19 .. .. 100.6 100.7 100.5 100.6 100.9 103.1 99.2								
17 " 26 .. .. 100.6 100.7 100.5 100.6 100.2 102.8 99.2								
18 June 2 .. .. 100.6 100.7 100.5 100.6 100.0 102.8 99.2								
19 " 9 .. .. 100.7 100.7 100.6 100.6 99.9 102.8 99.2								
20 " 16 .. .. 100.7 100.7 100.6 100.6 99.8 102.8 99.2								
21 " 23 .. .. 100.7 100.7 100.6 100.6 99.6 102.2 99.2								
22 " 30 .. .. 100.7 100.7 100.7 100.6 99.1 101.6 99.2								
23 July 7 .. .. 100.7 100.7 100.6 100.6 99.1 101.6 99.2								
24 " 14 .. .. 100.6 100.6 100.4 100.6 99.0 101.6 99.2								
25 " 21 .. .. 100.5 100.4 100.2 100.6 99.0 101.6 99.2								
26 " 28 .. .. 100.4 100.4 100.2 100.6 99.1 101.6 99.2								
27 August 4 .. .. 100.5 100.5 100.2 100.6 99.1 101.6 99.2								
28 " 11 .. .. 100.5 100.5 100.2 100.6 99.1 101.6 99.2								
29 " 18 .. .. 100.5 100.4 100.2 100.6 99.1 101.6 99.2								
30 " 25 .. .. 100.5 100.5 100.2 100.6 99.0 101.3 99.2								
31 September 1 .. .. 100.4 100.4 100.2 100.6 98.6 101.1 99.2								
32 " 8 .. .. 100.4 100.4 100.2 100.6 98.6 101.2 99.2								
33 " 15 .. .. 100.4 100.4 100.2 100.6 98.6 101.2 97.2								
34 " 22 .. .. 100.4 100.3 100.1 100.6 98.5 101.2 99.2								
35 " 29 .. .. 100.4 100.3 100.0 100.6 98.6 101.3 99.2								
36 October 6 .. .. 100.4 100.3 100.1 100.6 98.7 101.3 99.2								
37 " 13 .. .. 100.4 100.3 (a) 100.6 99.1 97.5 (a) 99.2								
38 " 20 .. .. 100.3 100.1 100.0 100.6 99.0 101.3 99.2								
39 " 27 .. .. 100.2 100.0 99.9 100.6 99.0 101.3 99.2								
40 November 3 .. .. 100.1 99.8 99.6 100.6 99.0 97.5 99.2								
41 " 10 .. .. 99.9 99.7 99.3 100.6 99.0 97.5 99.2								
42 " 17 .. .. 99.7 99.3 99.1 100.6 99.0 97.5 99.2								
43 " 24 .. .. 99.7 99.3 99.0 100.6 99.0 97.5 99.2								
44 December 1 .. .. 99.7 99.3 99.0 100.6 99.0 97.5 99.2								
45 " 8 .. .. 99.6 99.2 98.9 100.6 99.0 97.5 99.2								
46 " 15 .. .. 99.6 99.2 98.8 100.6 99.0 97.5 99.2								
47 " 22 .. .. 99.5 99.1 98.8 100.6 99.0 97.5 99.2								
48 " 29 .. .. 99.5 (a) 98.8 (a) 99.0 (a) 101.3 (a) 99.2								
49 January 5 .. .. 99.4 98.9 98.6 100.6 99.0 97.5 99.2								
50 " 12 .. .. 99.3 98.7 98.5 100.6 99.0 97.5 99.2								
51 " 19 .. .. 99.2 98.4 98.3 100.6 99.0 97.6 99.2								
52 " 26 .. .. 99.2 98.4 98.4 100.6 99.0 97.5 99.2								
53 February 2 .. .. 99.2 98.4 98.3 100.6 98.9 97.4 99.2								
54 " 9 .. .. 99.2 98.5 98.2 100.5 98.9 97.4 99.2								
55 " 16 .. .. 99.2 98.5 98.3 100.5 98.9 97.4 99.2								
56 " 23 .. .. 99.2 98.6 98.3 100.5 98.8 97.4 99.2								
57 March 2 .. .. 99.2 98.6 98.4 100.5 98.6 99.3 97.2								
58 " 9 .. .. 99.3 98.6 98.4 100.5 98.6 99.3 99.2								
59 " 16 .. .. 99.3 98.7 98.4 100.5 98.7 99.0 99.2								
60 " 23 .. .. 99.2 98.7 98.4 100.3 98.0 96.7 99.9 99.2								
61 " 30 .. .. 99.0 98.7 98.3 99.7 98.2 99.1 99.9 97.2								

(a) Market closed.

## AND WEEKLY) OF SECURITY PRICES

of the Reserve Bank of India)

Preference Shares				Variable Dividend Industrial Securities				
All-India 9	Bombay 10	Calcutta 11	Madras 12	All-India 13	Bombay 14	Calcutta 15	Madras 16	
85.7	90.2	80.3	97.0	124.6	131.5	112.7	126.8	1
79.3	83.4	73.4	93.8	109.2	119.1	95.8	122.5	2
70.4	79.6	61.9	83.7	97.9	114.4	83.4	110.2	3
85.4	86.1	84.2	91.3	126.6	128.5	121.3	147.2	4
89.7	89.3	88.8	97.3	146.8	147.8	145.3	159.7	5
90.7	88.8	89.6	102.2	161.7	161.7	153.6	182.2	6
85.7	85.6	84.6	92.2	182.6	189.4	168.3	197.6	7
82.6	83.3	82.2	84.7	192.7	200.6	178.7	202.9	8
80.2	79.8	81.5	79.2	160.3	161.5	150.2	182.7	9
82.6	83.3	82.2	84.5	194.1	203.1	179.2	203.9	10
82.4	83.2	82.0	84.3	192.7	200.9	178.2	203.4	11
82.3	82.9	82.2	83.7	190.7	197.6	177.2	201.8	12
82.3	83.1	81.9	83.7	192.9	201.4	178.3	201.3	13
82.5	83.4	82.2	83.8	195.1	204.0	180.2	202.1	14
82.5	83.5	82.1	83.8	195.5	204.2	181.1	202.2	15
82.5	83.4	82.2	83.8	195.6	204.0	181.5	201.7	16
82.3	82.9	82.2	83.4	194.8	203.1	181.0	200.4	17
82.1	82.7	82.0	82.8	193.1	200.7	180.1	198.3	18
81.9	82.3	82.1	82.8	190.7	198.0	177.8	197.4	19
81.7	81.7	82.1	82.7	188.9	195.9	176.1	196.3	20
81.7	81.7	82.1	82.5	188.7	196.9	174.8	195.7	21
81.6	81.6	82.1	82.5	188.3	196.7	174.1	195.3	22
81.5	81.5	82.1	81.9	185.6	193.2	172.1	193.7	23
81.5	81.6	82.1	81.9	184.4	192.3	170.7	193.0	24
81.4	81.2	82.0	81.8	182.8	190.2	170.0	191.7	25
81.3	81.2	81.9	81.5	183.3	192.2	169.7	191.2	26
81.4	81.5	81.9	81.5	186.7	197.5	171.6	192.5	27
81.3	81.3	81.9	81.3	187.3	197.4	172.7	193.2	28
81.4	81.4	82.1	81.4	186.7	196.4	172.7	193.0	29
81.5	81.4	82.2	81.4	187.2	197.3	173.1	193.5	30
81.6	81.4	82.4	81.1	188.0	197.9	173.9	194.1	31
81.5	81.3	82.5	80.9	186.4	195.6	172.2	193.8	32
81.4	81.2	82.4	80.8	183.6	190.3	171.2	193.0	33
81.4	81.2	82.3	80.5	181.4	186.9	170.2	192.2	34
81.4	81.3	82.3	80.6	180.4	186.2	169.3	191.2	35
81.4	81.5	82.2	80.5	181.3	188.8	169.0	190.2	36
81.5	81.6	(a)	80.6	180.3	186.7	(a)	189.9	37
81.5	81.3	82.3	80.5	179.7	186.5	167.9	189.8	38
81.7	82.1	82.1	80.4	174.4	178.9	164.5	187.7	39
81.4	81.7	82.1	80.3	171.8	174.2	163.9	185.7	40
80.9	80.5	82.0	80.3	168.7	167.7	163.7	185.2	41
80.9	80.4	82.0	80.3	170.8	172.6	163.4	185.4	42
80.9	80.4	82.1	80.3	170.6	172.6	162.9	185.5	43
80.9	80.5	82.1	80.3	170.3	173.5	161.1	185.7	44
80.9	80.5	82.1	80.3	170.6	172.7	162.7	185.7	45
80.9	80.4	82.1	80.2	170.6	172.8	162.7	185.7	46
80.9	80.4	82.0	80.4	170.6	172.8	163.4	186.0	47
80.9	80.4	82.0	80.1	172.5	176.2	163.4	186.0	48
80.8	80.4	82.0	(a)	172.8	(a)	163.9	(a)	49
80.8	(a)	81.9	81.9	172.5	175.7	163.8	186.2	50
80.6	80.4	81.7	79.9	172.5	174.7	163.7	186.1	51
80.6	80.3	81.8	79.7	171.9	173.0	163.6	185.7	52
80.5	80.1	81.9	79.6	171.1	173.0	162.1	184.5	53
80.4	79.9	81.8	79.6	168.7	169.4	159.7	183.2	54
80.4	79.9	81.8	79.4	166.9	167.9	159.7	181.3	55
80.4	79.9	81.8	79.5	165.4	167.5	156.7	181.0	56
80.5	79.9	81.9	79.5	166.6	169.8	157.0	181.7	57
80.5	79.9	81.9	79.5	167.7	171.5	157.6	183.0	58
80.5	79.9	81.9	79.5	169.3	173.8	158.5	183.4	59
80.5	80.0	81.9	79.5	164.6	167.1	155.3	182.8	60
80.5	80.0	81.9	79.5	164.9	168.5	154.4	182.8	61
80.2	80.0	81.4	79.3	162.8	165.5	152.4	182.8	
80.2	79.8	81.5	79.3	160.3	161.5	150.2	182.7	
80.2	79.8	81.5	79.2					

## STATEMENT 43—INDEX NUMBERS OF

(Compiled by the Department of Statistics)

Average of weeks	GROUP INDICES				SUB-GROUP INDICES OF GOVERNMENT AND SEMI-GOVERNMENT SECURITIES					SUB-GROUP INDICES			
	Government and semi-Government Securities	Debentures	Preference shares (Fixed dividend)	Variable dividend shares	Government of India	State Governments	Municipal, Port and Improvement trust	Plantations	Coal	Sugar	Cotton textiles		
	1	2	3	4	5	6	7	8	9	10	11		
(Base : 1949-50=100)													
1 1955-56	..	90.9	100.8	87.3	121.6	90.8	96.4	89.4	99	91	99		
2 1956-57	..	90.5	100.1	82.9	121.2	90.2	96.7	90.6	99	91	99		
3 1957-58	..	89.3	98.1	74.5	100.3	89.0	96.4	90.2	95	87	98		
(Base : 1952-53=100)													
4 1957-58(a)	..	98.3	99.6	88.0	125.4	98.1	100.1	99.1	100	100	98	99	
5 1958-59	..	99.9	100.1	87.2	137.3	99.8	101.3	99.0	100	100	99	93	
6 1959-60	..	101.2	101.8	92.2	155.3	101.1	102.6	99.9	100	99	99	99	
7 1960-61	..	101.0	100.8	87.2	171.7	100.9	102.2	99.9	100	96	98	99	
8 1961-62	..	100.9	101.1	83.2	183.7	100.8	102.0	99.4	100	96	98	98	
9 1962-63	..	100.1	99.2	81.3	179.5	99.8	101.9	98.8	100	96	98	97	
10 April 1961	..	101.1	100.7	85.3	180.4	101.0	101.9	99.7	100	96	98	98	
11 May	..	101.1	100.7	84.6	179.6	101.0	101.9	99.7	100	96	98	93	
12 June	..	101.0	101.2	84.1	183.5	100.9	102.0	99.7	100	95	98	93	
13 July	..	101.0	101.3	83.5	182.8	100.9	102.1	99.7	100	96	98	93	
14 August	..	101.1	101.4	83.6	178.9	101.0	102.2	99.7	100	95	98	93	
15 September	..	101.1	101.3	83.3	177.3	101.0	102.2	99.6	100	96	98	98	
16 October	..	101.1	101.3	82.4	180.9	101.0	102.1	99.4	100	96	98	98	
17 November	..	100.9	101.2	82.5	186.9	100.8	102.0	99.3	100	96	98	93	
18 December	..	100.8	101.2	82.1	184.3	100.7	101.9	99.2	100	96	98	93	
19 January 1962	..	100.7	101.2	82.1	187.4	100.6	101.9	99.2	100	96	98	93	
20 February	..	100.7	101.0	82.4	190.3	100.5	101.9	99.1	100	96	98	93	
21 March	..	100.7	100.9	82.6	192.2	100.5	101.9	99.1	100	96	98	97	
22 April	..	100.6	101.0	82.4	192.6	100.5	102.0	99.1	100	96	98	97	
23 May	..	100.6	100.8	82.5	195.3	100.5	102.0	99.1	100	96	98	97	
24 June	..	100.7	99.7	81.8	189.9	100.5	102.0	99.2	100	96	98	97	
25 July	..	100.5	99.0	81.4	184.0	100.4	102.1	99.1	100	96	98	97	
26 August	..	100.5	99.1	81.4	187.0	100.3	102.1	99.0	100	96	98	97	
27 September	..	100.4	98.6	81.5	184.0	100.2	102.1	99.0	100	96	98	97	
28 October	..	100.3	98.9	81.5	178.9	100.1	102.0	99.0	100	96	98	97	
29 November	..	99.9	99.0	80.9	170.5	99.6	101.9	98.8	100	96	98	97	
30 December	..	99.6	99.0	80.9	171.4	99.3	101.7	98.3	100	96	98	97	
31 January 1963	..	99.3	99.0	80.6	111.1	99.0	101.6	98.3	100	96	98	97	
32 February	..	99.2	98.9	80.4	166.6	98.9	101.6	98.1	100	96	98	97	
33 March	..	99.2	98.3	80.3	164.4	93.9	101.6	98.2	100	95	98	97	
34 Percentage variation of March 1963 over March 1962	..	-1.5	-2.6	-2.8	-14.5	-1.6	-0.3	-0.9	—	—	—	—	

(a) Average of 40 weeks.

## SECURITY PRICES—ALL-INDIA (ANNUAL AND MONTHLY)

of the Reserve Bank of India)

## OF DEBENTURES

SUB-GROUP INDICES OF PREFERENCE SHARES (FIXED DIVIDEND  
INDUSTRIAL SECURITIES)

Jute textiles	General engineering	Electri- city gen- eration and supply	Others	Plantations	Coal	Sugar	Cotton	Jute textiles	Iron and steel	Gene- ral engi- neering	Basic indus- trial chemicals	Paper	Elec- tricity gen- eration and supply	Trad- ing	Ship- ping and other trans- port		
12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
98	101	102	101	100	92	85	80	86	90				87	96		/	
98	101	101	101	101	84	83	82	78	86				81	90		2	
95	98	99	98	91	78	74	73	65	80				78	85		3	
95	98	97	101	103	79	93	87	74	88	105	84	98	90	85	77	85	4
92	99	97	103	97	77	89	79	76	91	100	86	99	85	87	79	86	5
93	102	97	105	101	81	93	82	87	94	103	91	104	88	88	97	94	6
94	101	96	104	95	73	93	78	78	87	101	86	98	81	84	92	90	7
93	101	96	104	87	71	86	77	76	84	97	80	90	79	79	80	88	8
96	100	94	102	82	73	82	76	77	81	96	80	87	82	78	72	85	9
93	102	96	104	90	73	88	77	77	86	100	81	95	81	82	87	91	10
93	101	96	104	90	73	88	76	76	85	100	81	93	80	82	82	91	11
93	101	96	104	90	73	87	76	76	84	100	80	91	80	82	82	90	12
93	101	96	105	89	72	85	76	76	84	97	80	88	78	81	82	88	13
93	101	97	105	89	71	85	76	76	85	98	80	88	79	80	81	88	14
93	102	96	105	88	71	86	76	75	84	97	80	90	81	80	82	88	15
93	102	96	105	87	71	86	77	75	83	96	79	90	78	79	81	86	16
93	102	96	105	86	71	85	78	74	83	96	80	91	78	79	81	86	17
93	101	96	105	86	71	85	78	76	82	96	80	90	78	78	79	85	18
94	101	96	105	84	70	85	78	76	83	96	80	90	79	77	76	86	19
94	101	96	105	84	70	85	78	77	83	97	81	90	79	77	75	86	20
94	101	95	104	84	70	85	78	77	83	97	82	90	79	78	74	86	21
95	100	95	104	84	70	84	71	77	82	98	82	89	79	79	73	86	22
95	100	95	104	84	70	83	78	77	83	97	82	88	80	79	73	86	23
95	100	95	103	83	73	83	77	78	81	96	81	90	81	78	73	87	24
95	100	93	102	82	75	83	77	78	81	96	81	88	82	78	72	85	25
95	100	93	102	82	75	82	76	78	81	96	80	87	82	79	72	84	26
95	100	93	101	82	75	83	76	78	81	96	80	85	83	78	72	85	27
97	100	93	102	82	73	82	76	78	82	96	81	85	83	78	72	85	28
97	100	93	102	82	73	82	75	77	80	97	81	85	83	77	72	85	29
97	100	93	102	81	73	82	75	77	80	97	79	86	83	77	72	85	30
97	100	93	102	80	73	82	75	77	79	97	79	86	83	76	71	83	31
97	100	93	102	80	72	82	75	77	79	97	78	87	83	75	71	83	32
97	99	92	101	79	72	81	75	78	79	97	78	87	83	76	70	84	33

+3.2 -2.0 -3.2 -2.9 -6.0 +2.9 -4.7 -3.8 +1.3 -4.8 — -4.9 -3.3 +5.1 -2.6 -5.4 -2.3 34

## STATEMENT 43—INDEX NUMBERS OF

(Compiled by the Department of Statistics)

## SUB-GROUP INDICES OF VARIABLE

	Average of weeks	Tea plantations	Coffee plantations	Rubber plantations	Coal	Other mining	Sugar	Cotton textiles	Jute textiles	Silk and woollen	Iron and steel
		29	30	31	32	33	34	35	36	37	38
<b>(Base: 1949-50=100)</b>											
1	1955-56	..	..	..	185(b)		81	105(c)	118(d)	95	154
2	1956-57	..	..	..	170(b)		78	105(c)	134(d)	70	147
3	1957-58	..	..	..	130(b)		67	95(c)	105(d)	52	119
<b>(Base: 1952-53=100)</b>											
4	1957-58(a)	..	..	..	144	182	136	89	145	160	120
5	1958-59	..	..	..	145	203	151	107	161	164	114
6	1959-60	..	..	..	160	200	165	114	172	179	129
7	1960-61	..	..	..	163	204	175	120	182	187	151
8	1961-62	..	..	..	161	170	171	123	187	158	150
9	1962-63	..	..	..	146	148	165	120	181	135	150
10	April 1961	..	..	..	174	192	171	128	195	173	163
11	May	..	..	..	168	181	171	129	190	169	164
12	June	..	..	..	167	180	174	131	190	164	170
13	July	..	..	..	166	178	173	131	189	160	173
14	August	..	..	..	163	173	172	127	183	159	171
15	September	..	..	..	159	172	174	122	182	159	173
16	October	..	..	..	155	167	172	119	190	158	182
17	November	..	..	..	157	168	174	120	190	157	189
18	December	..	..	..	156	163	170	121	182	152	186
19	January 1962	..	..	..	154	156	169	120	182	150	192
20	February	..	..	..	155	154	169	117	185	145	199
21	March	..	..	..	155	155	169	116	190	145	201
22	April	..	..	..	155	155	169	118	188	144	198
23	May	..	..	..	158	160	170	131	191	142	196
24	June	..	..	..	154	154	170	130	189	138	188
25	July	..	..	..	148	150	165	124	186	137	181
26	August	..	..	..	146	149	165	124	192	139	164
27	September	..	..	..	145	148	169	123	185	139	184
28	October	..	..	..	143	145	164	120	187	136	179
29	November	..	..	..	141	144	162	115	165	132	171
30	December	..	..	..	141	144	162	116	173	132	172
31	January 1963	..	..	..	141	144	162	118	177	132	171
32	February	..	..	..	140	140	159	116	176	129	167
33	March	..	..	..	135	143	155	111	169	125	168
34	Percentage variation of March 1953 over March 1952	..	-11.0	-7.7	-6.5	-4.3	-11.1	-11.1	-15.4	-7.5	-29.1
											-17.3

(a) Average of 40 weeks. (b) Including coffee and rubber plantations. (c) Including breweries. (d) Including woollen and silk textiles.

**SECURITY PRICES—ALL-INDIA (ANNUAL AND MONTHLY)—(Contd.)**

of the Reserve Bank of India)

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DIVIDEND INDUSTRIAL SECURITIES

Transport equipment	Electrical machinery	Machinery other than transport and electrical	Basic industrial chemicals	Cement	Paper	Electricity generation and supply	Trading	Shipping and other transport	Construction	Banks	Insurance	Investment trust
39	40	41	42	43	44	45	46	47	48	49	50	51
				144	164	256	123	106		88	103	93
				144	176	266	112	118		94	87	90
				131	141	211	103	117		96	85	73
												1
175	163	148	109	125	160	89	79	123	198	169	108	84
198	143	166	123	129	185	93	88	134	235	199	127	91
288	133	198	167	136	209	90	105	125	301	192	137	99
399	140	211	208	144	224	82	119	108	303	195	139	91
404	166	218	212	149	211	84	124	96	291	235	151	91
367	171	231	186	155	216	86	118	90	279	231	164	90
410	164	224	217	144	216	80	128	102	292	214	143	92
408	163	218	217	142	209	81	127	100	281	215	146	92
430	164	219	219	144	208	82	132	100	295	218	154	91
413	167	215	216	143	209	83	125	99	287	226	153	90
392	163	208	211	142	204	85	118	95	287	230	146	89
385	163	206	205	145	205	85	116	93	287	226	145	90
390	161	213	204	148	205	86	120	94	296	230	153	89
409	166	218	216	155	211	86	123	94	298	237	154	90
406	160	215	213	151	212	85	123	93	285	242	153	91
407	161	218	213	151	213	85	125	93	292	260	153	90
404	168	228	211	159	215	86	127	94	294	261	154	91
399	177	237	206	164	224	87	131	94	300	238	160	94
397	177	239	205	166	229	86	127	96	300	249	163	93
403	182	252	206	169	233	87	131	99	318	243	170	94
392	185	247	199	167	231	86	128	94	314	234	171	90
384	177	234	193	157	220	87	119	91	287	231	168	88
387	182	237	192	160	220	88	120	91	290	234	173	89
373	184	235	187	159	216	88	119	90	280	231	170	90
362	173	230	182	155	212	87	115	91	263	230	165	90
334	160	218	176	146	206	85	111	89	253	228	164	89
343	160	221	179	147	207	85	112	89	253	228	164	89
348	159	221	178	148	212	85	114	87	260	228	159	89
348	155	216	171	144	203	84	113	84	260	219	152	88
338	157	216	169	145	299	84	111	84	265	213	150	86
-15.3	-11.3	-8.9	-18.0	-11.6	-11.2	-3.4	-15.3	-10.6	-11.7	-17.4	-6.3	-8.5

## STATEMENT 44—YIELDS ON INDUSTRIAL SECURITIES—ALL-INDIA

(Compiled by the Department of Statistics)

	Debentures (Total)	Preference Shares (Total)	Total	Agriculture and Allied Activities								Mining and Quarrying		
				Variable Dividend				Fixed Dividend				Coal		Other mining
				Total (a)	Tea plantations	Coffee plantations	Rubber plantations	Total	Coal	Other mining				
Average of months: month				1	2	3	4	5	6	7	8	9	10	
Old series (d)														
1 1955-56	..	..	3.82	5.29	5.01									5.24
2 1956-57	..	..	3.96	5.43	5.68									6.23
3 1957-58	..	..	4.11	5.99	6.83									7.33
4 1958-59	..	..	4.18	5.92	6.27									6.27
5 1959-60	..	..	4.09	5.68	5.37									5.30
Revised series (e)														
6 1959-60(f)	..	..	3.97	5.44	5.27	6.09	6.17	6.06	7.60	6.19	5.82	6.44		
7 1960-61	..	..	4.11	5.32	4.83	5.80	6.01	5.12	6.33	5.21	4.56	5.72		
8 1961-62	..	..	4.15	5.64	4.67	5.74	5.94	4.74	6.56	5.15	4.13	5.65		
9 1962-63	..	..	4.35	5.87	4.85	6.27	6.45	5.44	7.54	4.93	4.01	5.59		
10 April 1961	..	..	4.15	5.49	4.65	5.66	6.00	3.70	6.16	4.60	3.63	5.27		
11 May	..	..	4.16	5.47	4.72	5.79	6.14	3.95	6.24	5.08	3.56	6.12		
12 June	..	..	4.15	5.53	4.68	5.80	6.17	4.14	6.13	5.18	3.55	6.28		
13 July	..	..	4.14	5.57	4.71	5.67	5.92	4.16	6.33	5.24	3.91	6.16		
14 August	..	..	4.13	5.57	4.81	5.72	5.94	4.25	6.49	5.23	4.05	6.04		
15 September	..	..	4.15	5.62	4.79	5.55	5.21	4.30	6.45	5.36	4.29	6.09		
16 October	..	..	4.14	5.69	4.70	5.60	5.75	4.43	6.55	5.12	4.49	5.55		
17 November	..	..	4.13	5.69	4.58	5.56	5.72	4.55	6.58	5.12	4.44	5.60		
18 December	..	..	4.14	5.74	4.63	5.77	5.84	5.67	6.78	5.23	4.41	5.77		
19 January 1962	..	..	4.15	5.82	4.59	5.94	6.04	5.87	6.95	5.26	4.37	5.78		
20 February	..	..	4.17	5.79	4.58	5.89	5.96	6.03	6.95	5.23	4.43	5.77		
21 March	..	..	4.18	5.76	4.61	5.95	6.05	5.63	7.07	5.23	4.42	5.79		
22 April	..	..	4.17	5.77	4.66	6.02	6.16	5.73	7.07	5.37	4.41	6.03		
23 May	..	..	4.22	5.80	4.56	5.83	6.04	5.43	7.05	4.65	3.75	5.28		
24 June	..	..	4.36	5.83	4.63	6.06	6.22	5.73	7.11	4.59	3.63	5.27		
25 July	..	..	4.40	5.85	4.75	6.27	6.43	5.85	7.42	4.77	3.90	5.39		
26 August	..	..	4.42	5.84	4.72	6.36	6.58	5.91	7.43	4.86	3.94	5.51		
27 September	..	..	4.33	5.84	4.76	6.24	6.40	5.93	7.27	4.97	3.96	5.70		
28 October	..	..	4.35	5.85	4.87	6.28	6.40	5.91	7.66	5.09	4.05	5.83		
29 November	..	..	4.37	5.92	5.06	6.42	6.57	5.73	7.80	5.22	4.12	6.00		
30 December	..	..	4.36	5.92	5.00	6.38	6.59	4.95	7.92	4.85	4.11	5.37		
31 January 1963	..	..	4.38	5.93	5.01	6.38	6.61	4.91	7.84	4.82	3.99	5.41		
32 February	..	..	4.40	5.94	5.10	6.45	6.67	5.03	7.99	4.91	4.07	5.51		
33 March	..	..	4.45	5.96	5.12	6.44	6.76	4.16	7.96	5.09	4.16	5.76		

{For footnotes, please see end of the Statement.]

## AND REGIONAL—BY GROUPS AND SUB-GROUPS

of the Reserve Bank of India)

(Per cent per annum)

## INDIA

## Industrial Securities

## Processing and Manufacturing

Total	Foodstuffs, Textiles, etc.					Metals and Chemicals						
	Total (a) (b)	Sugar (c)	Cotton textiles (b)	Jute textiles	Silk and woollen	Total (a)	Iron and steel (c)	Trans- port equip- ment	Elec- trical machin- ery	Machin- ery other than trans- port and elec- trical	Basic indus- trial chemi- cals	
11	12	13	14	15	16	17	18	19	20	21	22	
	5.13	5.26	4.08			3.21					5.38	1
	5.79	5.25	4.55			3.40					5.90	2
	6.28	7.22	5.47			4.98					6.57	3
	5.89	6.45	5.69			4.31					6.76	4
	4.87	4.54	5.02			3.70					5.11	5
4.70	4.68	6.63	3.97	5.60	3.98	4.19	3.89	3.48	5.09	4.55	4.14	6
4.35	4.26	5.80	3.47	6.15	3.17	4.18	4.25	3.38	5.03	4.07	3.39	7
4.24	4.15	5.62	3.72	5.14	2.92	4.22	4.69	3.77	4.46	3.46	3.64	8
4.48	4.33	6.18	4.33	3.87	3.50	4.65	5.31	4.55	4.32	3.54	4.74	9
4.20	4.09	5.08	3.56	5.63	3.05	4.08	4.40	3.48	4.49	3.47	3.53	10
4.26	4.19	5.18	3.69	5.78	3.01	4.09	4.33	3.57	4.52	3.59	3.55	11
4.21	4.21	5.45	3.67	5.92	2.85	3.92	4.10	3.48	4.46	3.38	3.47	12
4.27	4.28	5.63	3.75	5.99	2.92	4.00	4.23	3.63	4.38	3.52	3.46	13
4.44	4.41	5.79	3.89	6.07	3.01	4.26	4.64	3.81	4.48	3.68	3.60	14
4.44	4.40	5.70	3.90	5.84	3.04	4.39	4.88	3.88	4.48	3.73	3.69	15
4.34	4.28	5.63	3.81	5.51	2.94	4.35	4.90	3.80	4.53	3.57	3.76	16
4.15	4.04	5.61	3.66	4.62	2.77	4.24	4.80	3.72	4.44	3.43	3.53	17
4.19	4.03	5.60	3.72	4.31	2.84	4.35	5.00	3.81	4.61	3.43	3.54	18
4.34	3.96	5.50	3.64	4.18	2.86	4.33	4.98	3.89	4.58	3.35	3.60	19
4.14	3.99	6.14	3.57	4.00	2.88	4.29	5.00	4.02	4.40	3.19	3.59	20
4.18	4.07	6.10	3.80	3.82	2.89	4.35	5.05	4.19	4.15	3.26	4.30	21
4.24	4.16	6.13	3.99	3.73	2.84	4.39	4.98	4.25	4.16	3.31	4.64	22
4.19	4.20	6.10	4.07	3.88	2.80	4.19	4.73	4.11	4.04	3.14	4.49	23
4.25	4.22	6.29	4.16	3.97	3.04	4.25	4.78	4.29	3.98	3.18	4.62	24
4.35	4.29	6.32	4.23	4.06	3.18	4.35	4.83	4.46	4.15	3.39	4.73	25
4.31	4.23	6.17	4.17	4.27	3.11	4.29	4.75	4.47	4.02	3.37	4.55	26
4.36	4.28	6.26	4.23	4.22	3.28	4.47	5.02	4.83	3.98	3.45	4.59	27
4.50	4.41	6.38	4.36	4.30	3.58	4.64	5.20	5.05	4.30	3.59	4.68	28
4.72	4.50	6.54	4.36	3.83	3.85	5.02	5.76	5.21	4.60	3.84	4.97	29
4.66	4.41	6.26	4.53	3.53	3.85	4.99	5.79	4.58	4.59	3.81	4.94	30
4.66	4.40	6.15	4.53	3.49	3.95	5.00	5.83	4.46	4.62	3.77	4.94	31
4.74	4.45	5.88	4.64	3.45	4.20	5.10	5.97	4.53	4.74	3.82	4.98	32
4.74	4.41	5.70	4.50	3.72	4.36	5.13	6.03	4.49	4.68	3.79	4.80	33

## STATEMENT 44—YIELDS ON INDUSTRIAL SECURITIES—ALL-INDIA

(Compiled by the Department of Statistics)

Average of months/ month	ALL Variable Dividend								
	Processing and Manufacturing (Contd.)			Other Industries					
	Others		Total (a)	Electricity genera- tion and supply	Trading	Shipping and other transport	Construc- tion		
	Total (a)	Cement	Paper						
	23	24	25	26	27	28	29	30	
Old series (d)									
1 1955-56	..	..	4.51	4.75	5.75			4.52	
2 1956-57	..	..	4.56	6.05	6.16			5.12	
3 1957-58	..	..	5.76	7.62	7.02			6.26	
4 1958-59	..	..	5.91	6.67	6.71			4.93	
5 1959-60	..	..	5.77	5.92	6.79			4.74	
Revised series (e)									
6 1959-60(f)	..	..	5.69	6.07	6.49	6.86	8.58	5.25	4.12
7 1960-61	..	..	4.90	5.21	4.76	6.05	8.38	5.17	4.42
8 1961-62	..	..	4.52	4.77	4.54	5.28	5.42	6.74	4.40
9 1962-63	..	..	4.59	5.00	3.87	5.30	5.60	6.62	3.83
10 April 1961	..	..	4.72	4.95	4.76	5.53	5.69	7.07	4.74
11 May	..	..	4.76	4.93	4.95	5.54	5.64	6.94	4.88
12 June	..	..	4.71	4.85	4.96	5.44	5.59	6.44	4.84
13 July	..	..	4.70	4.87	4.86	5.47	5.55	6.74	4.21
14 August	..	..	4.81	4.96	4.92	5.31	5.35	6.94	4.45
15 September	..	..	4.64	4.86	4.57	5.21	5.24	7.19	4.09
16 October	..	..	4.49	4.74	4.56	5.20	5.17	6.73	3.90
17 November	..	..	4.32	4.55	4.41	5.12	5.24	6.57	4.16
18 December	..	..	4.36	4.65	4.32	5.17	5.30	6.75	4.22
19 January 1962	..	..	4.34	4.64	4.23	5.19	5.34	6.81	4.23
20 February	..	..	4.27	4.63	4.07	5.14	5.43	6.34	4.14
21 March	..	..	4.18	4.56	3.93	5.13	5.46	6.38	4.14
22 April	..	..	4.22	4.48	3.91	5.16	5.50	6.54	4.11
23 May	..	..	4.18	4.46	3.80	5.06	5.49	6.17	3.88
24 June	..	..	4.32	4.62	3.87	5.12	5.53	6.29	3.95
25 July	..	..	4.56	4.87	4.08	5.23	5.54	6.45	4.20
26 August	..	..	4.57	4.83	4.17	5.19	5.48	6.54	4.14
27 September	..	..	4.41	4.87	3.45	5.20	5.43	6.31	4.23
28 October	..	..	4.52	5.07	3.50	5.23	5.53	6.44	4.13
29 November	..	..	4.82	5.41	3.65	5.36	5.69	6.55	4.19
30 December	..	..	4.78	5.37	3.62	5.39	5.71	6.63	4.18
31 January 1963	..	..	4.79	5.28	3.69	5.45	5.71	7.00	4.28
32 February	..	..	4.91	5.33	4.16	5.57	5.76	7.08	4.58
33 March	..	..	4.98	5.37	4.31	5.60	5.78	7.41	4.55

Note : Tax-free yields of taxable securities are calculated, deducting income-tax at maximum rate and surcharge.  
(a) Including miscellaneous. (b) Including edible and vegetable oils. (c) Estimated from July 1956 to June 1957. (d) For details, please see March 1956 issue of the Reserve Bank of India Bulletin. (e) For details, please see March 1956

## AND REGIONAL-BY GROUPS AND SUB-GROUPS—(Contd.)

of the Reserve Bank of India)

(Per cent per annum)

## INDIA—(Contd.)

## REGIONAL

## Industrial Securities—(Contd.)

## Variable Dividend Industrial Securities

## Financial

Total	Banks	Insurance	Investments	Bombay	Calcutta	Madras	Delhi
31	32	33 g	34	35	36	37	38
5.70	4.71	6.01	4.55	4.98	6.86	4.63	1
5.77	6.60	6.53	5.05	5.82	6.54	6.14	2
6.44	7.27	7.37	6.36	6.95	7.41	7.11	3
6.22	6.75	5.95	5.93	6.22	6.79	7.13	4
6.03	7.17	6.03	5.32	5.25	5.99	6.36	5
6.64	6.46	7.53	6.28	4.96	5.38	6.00	5.39
6.31	5.93	7.45	6.85	4.51	5.16	5.23	5.25
5.84	5.42	7.07	6.72	4.45	4.70	5.38	4.93
5.91	5.86	6.58	6.54	4.79	4.67	5.84	4.70
6.15	5.25	7.24	7.13	4.42	4.79	5.07	5.32
6.10	5.74	7.02	7.17	4.47	4.83	5.33	5.42
6.03	5.72	6.84	6.91	4.39	4.82	5.28	5.31
5.93	5.55	7.05	6.73	4.46	4.79	5.35	5.18
5.95	5.51	7.29	6.84	4.56	4.89	5.41	5.10
5.99	5.58	7.26	6.74	4.59	4.84	5.42	5.13
5.90	5.50	7.09	6.76	4.44	4.79	5.36	4.87
5.83	5.42	7.06	6.59	4.37	4.61	5.27	4.43
5.73	5.29	7.09	6.49	4.46	4.58	5.41	4.59
5.49	4.97	7.02	6.60	4.41	4.52	5.45	4.54
5.48	4.97	7.00	6.46	4.39	4.51	5.48	4.65
5.46	5.00	6.89	6.26	4.43	4.49	5.67	4.66
5.56	5.19	6.73	6.19	4.47	4.56	5.79	4.57
5.56	5.25	6.50	6.16	4.35	4.45	5.79	4.13
5.72	5.46	6.32	6.60	4.49	4.45	5.82	4.31
5.80	5.54	6.38	6.79	4.60	4.59	5.87	4.48
5.78	5.55	6.29	6.68	4.51	4.61	5.83	4.59
5.87	5.65	6.39	6.61	4.68	4.58	5.78	4.65
5.92	5.69	6.49	6.62	4.82	4.68	5.81	4.72
5.98	5.77	6.52	6.64	5.15	4.76	5.90	4.96
5.98	5.76	6.52	6.64	5.07	4.72	5.87	5.05
6.05	5.81	6.73	6.64	5.07	4.75	5.87	4.87
6.27	6.04	7.04	6.50	5.15	4.87	5.99	4.96
6.41	6.24	7.07	6.44	5.14	4.99	5.79	5.10

issue of the Reserve Bank of India Bulletin. (f) Average of 9 months from July 1959 to March 1960. (g) Including breweries in respect of old series. (h) Including woollen and silk in respect of old series.

## STATEMENT 45—PRICES OF

Scrip	End						
	September 1953	November 1955	August 1956	December 1957	December 1958	December 1959	December 1960
	1	2	3	4	5	6	7
<b>Iron and Steel</b>							
1 Indian Iron	23.16	43.25	36.81	18.70*	24.72	23.22*	23.22
2 Tata Ordinary	314.75	270.75*	212.75*	160.50	173.00*	159.50*	140.00
<b>Cotton Textiles</b>							
3 Bombay Dyeing	355.25	617.50	657.50	49.80*(a)	55.40	71.30	60.50
4 Buckingham	122.00	181.50	205.00	155.00	174.00	200.00	158.00
5 Centur	256.50	495.00	584.50	382.00	416.50*	456.00*	455.00
6 Kohinoor	276.50	356.00	379.00	259.50	233.50	337.00	267.50
7 Madura	39.50	52.25	52.25	33.75	28.55	30.50	34.50
<b>Jute Textiles</b>							
8 Anglo-India	200.00	228.00	188.00	145.50	202.00	211.00	184.00
9 Birla	35.50	19.50	18.25	14.75	18.75	26.25	28.87
10 Howrah	23.00	30.12	24.25	13.44	18.44	24.62	23.00
<b>Bank</b>							
11 Central	63.75	53.00	53.00	52.30	58.50	45.75	53.00
12 India	155.50	160.00	172.00	132.25*	137.00	111.25	105.00
<b>Coal</b>							
13 Bengal	507.00	546.00	542.00	228.00*	261.00	296.00	317.00*
14 Central India	4.87	8.75	7.44	5.94	6.54	7.87	11.62
<b>Tea Plantations</b>							
15 Huzurpara	171.00	330.00	197.00*	113.00	109.00	168.00	142.00
16 Hasimara	27.50	41.62	33.87	21.12	20.25	23.25	21.25
17 Periyakaraiyalai	6.75	9.19	11.25	4.02*	3.55	3.55	3.40
<b>Engineering</b>							
18 Guest, Keen, Williams	—	—	—	29.12	38.00	45.00	36.87*
19 Jitroop & Co.	22.81	67.00	34.12*	22.12	24.31	24.44*	19.75
20 Premier Construction	84.25	183.50	214.50	154.00	230.75	366.50	288.50
21 Tata Locomotives	—	147.50	176.00	137.25	157.00*	214.00	256.00
22 Telsmaco	6.12	20.44*	24.19	15.63	20.30	26.65	22.95
<b>Electricity</b>							
23 Andhra Valley	1,325.00*	1,350.00	1,242.50	1,117.50	1,197.50	1,099.00	1,000.00
24 Tata Power	1,351.25*	1,397.50	1,305.00	1,155.00	1,220.00	1,149.00	1,035.00
<b>Miscellaneous</b>							
25 Belapur Sugar	242.00	372.00	254.50*	252.00	295.50	335.00	332.50
26 Deccan Sugar	8.87	10.05	13.00	7.85*	10.72	14.05	15.15
27 Cochin Malabar	6.37	8.87	13.12	4.25*	5.46	7.20	6.95
28 Consolidated Coffee	18.00	24.25	22.37*	20.00	24.65	25.50	22.70
29 Ootacamund Valley	4.00	5.88	5.65	4.85	5.48	6.15	4.63
30 A.C.C.	170.00	227.25*	205.25*	151.00*	150.25	151.50	145.50
31 Iclia Cement	3.12	6.62	6.50*	4.70	5.10*	6.25	5.16*
32 Amar Dye Chem.	—	—	—	100.00	105.00	269.00*	375.00
33 Colour Chem.	—	—	—	—	—	315.00	322.50
34 F.A.C.T.	3.00	7.56	7.25	3.90	7.20	10.20	9.60
35 Tata Chemicals	8.53	18.87	29.00	12.80*	14.40	16.80	17.16
36 Ashok Leyland	—	6.19	5.31	4.45	5.80	7.27*	8.12*
37 Hindustan Motors	—	—	—	5.69	6.52	15.12	18.81
38 Premier Automobiles	—	—	109.00	87.50	89.50	163.50	163.50*
39 Cest Tyres	—	—	—	—	62.00	116.00	229.00
40 Dunlop Rubber	29.12	35.87	29.94	19.75*	29.87	36.00	41.87
41 Orient Paper	32.50	34.62	40.31	24.25	29.20	38.50	40.20
42 West Coast Paper	—	—	—	65.00	101.50	163.50*	183.00
43 National Paints	112.25	241.00	265.00	231.25	233.25*	37.00	471.00
44 Travancore Rayons	5.00	16.06	16.25	10.65	16.00	26.43	33.00
45 Aluminium Industries	31.00	26.62	23.00	13.00*	17.50	22.30	21.97
46 Bombay-Burman (old)	331.87	651.73	762.50	520.00	476.50*	576.50	576.50
47 Hindustan Lever	—	—	—	19.76	26.50	36.75	41.25
48 Imperial Tobacco	—	15.00	15.69	11.73	13.85	11.00	11.00
49 Sardia Steam	—	13.66	18.03	18.62	17.00*	17.52	15.40
50 Voltas	—	—	—	112.73	132.00	197.00	164.80

\*Ex-right. (a) Spinshare. (b) Nominal.

## REPRESENTATIVE INDUSTRIAL SHARES

(Rupees)

of	1962-63										Percentage variations of (13) over (9)	
						Highest		Lowest				
	December 1961	March 1962	June 1962	September 1962	December 1962	March 1963				(4)		
8	9	10	11	12	13	14	15	16	17			
25.40	25.38	25.90	25.06	22.00	19.70(b)	22.60	19.00	+ 26.4	- 22.4	/		
140.75	139.50	147.25	135.00	123.75	117.00	153.25	116.50	- 3.3	- 16.1	2		
66.20	69.70	67.70	65.30	62.00	62.10	71.20	58.80	+ 24.7	- 10.9	3		
253.00	290.00	265.00	282.00	281.00	262.00	290.00	259.00	+ 69.0	- 9.7	4		
599.00*	619.50	636.50	611.50	575.00	490.00	682.50	489.00	+ 160.9	- 20.9	5		
307.00	313.00	300.50	298.00	291.00	280.00	325.50	268.00	+ 7.9	- 10.5	6		
41.50	40.50	36.00	34.75	33.12	30.43	40.65	30.43	- 9.8	- 24.9	7		
196.00	230.00	232.00	232.00	229.00	200.50(b)	255.00	199.00	+ 36.9	- 12.8	8		
28.37*	37.00	34.31	34.16	29.75	25.00(b)	37.81	24.50	+ 144.6	- 32.4	9		
20.62	21.37	22.12	20.31	19.00	17.72(b)	23.56	17.50	+ 31.8	- 17.1	10		
66.00	69.50	62.30	61.00	60.00	52.00	68.00	51.00	- 0.6	- 25.2	11		
140.00	124.00*	112.50	113.00	110.50	101.00	123.00	101.00	- 12.4	- 18.5	12		
350.00	348.00	376.00	351.00	335.00	265.00(b)	403.00	263.00	+ 24.9	- 23.9	13		
12.25	11.37	11.50	10.00	10.37	8.75(b)	13.56	8.75	+ 47.3	- 23.0	14		
118.50	114.50	125.00	104.00	102.00	103.00(b)	137.00	101.00	- 8.8	- 10.0	15		
33.12	31.62	31.56	14.37*	14.00	12.06(b)	31.56	12.00*	+ 14.2	- 23.7	16		
3.54	3.32	3.25	3.20	2.96	3.05	3.67	2.87	- 24.7	- 8.1	17		
39.00	43.31	39.94	37.12	35.00	30.00(b)	43.37	29.12	+ 30.5	- 30.7	18		
20.37	25.06	23.62	22.56	22.25	21.06(b)	25.75	20.25	+ 40.3	- 15.0	19		
184.00*	174.00	158.00	142.50	131.50	128.50	183.50	115.00	+ 25.2	- 26.1	20		
356.50	349.00	354.00	303.50	293.50	279.00*	382.50	251.00*	+ 174.6	- 11.7	21		
21.40	22.80	24.60	22.55	20.00	20.30(b)	26.55	19.00	+ 30.1	- 11.0	22		
1,010.00	1,017.50	1,015.00	1,025.00	1,005.00	1,005.00	1,050.00	1,003.75	- 10.1	- 1.2	23		
1,077.50	1,120.00	1,107.50	1,106.25	1,100.00	1,070.00	1,175.00	1,053.75	- 7.4	- 4.5	24		
264.00	236.00	229.50	223.50	216.00	200.00	251.00	200.00	- 20.6	- 15.3	25		
11.10	9.95	9.95	10.60	9.65	9.50	11.20	9.20	+ 21.0	- 4.5	26		
7.23	7.05	6.95	6.50	6.30	6.00	7.15	6.00	+ 41.2	- 14.9	27		
19.80	18.12	18.45	17.15	16.35	16.25	20.15	15.70	- 42.0	- 10.3	28		
3.44	3.93	3.65	3.63	3.85	4.35	4.38	3.58	- 10.3	+ 10.7	29		
161.50	159.25	157.00	158.00	154.00	138.00	165.00	138.00	- 8.6	- 13.3	30		
6.33	5.85*	6.23	6.31	6.30	6.20	6.55	5.85	+ 63.8	+ 6.0	31		
340.00*	350.00	293.75	255.00	230.00	217.50	367.50	195.00	+ 156.5	- 37.8	32		
447.50*	475.00	467.50	398.75	375.00	317.50	517.50	300.00	- 33.2	- 33	33		
8.50	8.08	8.20	7.50	6.85	6.95	8.35	6.85	+ 78.2	- 14.0	34		
19.88	17.64*	15.92	14.60	13.56	14.76	18.36	11.80	+ 25.1	- 16.3	35		
9.08	8.83	8.45	7.70	8.15	7.85	9.12	7.43	+ 127.0	- 11.1	36		
21.31	20.25	19.75	18.31	17.12	15.90(b)	20.87	15.19	+ 179.4	- 21.5	37		
156.00	130.00*	130.00	112.50	108.00	103.00	140.00	92.00	+ 43.7	- 20.8	38		
213.75*	202.50	182.50	167.50	167.50	140.00	200.00	135.00	- 30.9	- 30.9	39		
38.56*	44.62	41.00	38.56	38.25	32.00(b)	45.37	32.00	+ 143.0	- 28.3	40		
40.45*	43.40	42.60	40.30	36.70	31.25(b)	45.00	30.85	+ 43.3	- 28.0	41		
176.00	181.50	175.50	162.00	150.00	133.00	192.00	133.00	+ 127.8	- 26.7	42		
556.50	540.50	520.50	477.00	427.00	353.00	584.00	353.00	+ 98.9	- 34.7	43		
43.40	43.80	38.65	31.35	28.75	29.75	43.80	26.50	+ 179.3	- 32.1	44		
23.10	23.70	24.00	24.90	23.30	20.37*	25.10	20.37*	+ 93.4	- 5.2	45		
667.50	658.00	669.00	636.00	652.00	621.00	708.00	590.00	+ 49.3	- 5.6	46		
58.30	73.00	47.00*	46.00	48.00	45.00	74.00	41.50*	+ 237.0	- 8.8	47		
12.87	12.00	11.12	11.00	10.87	10.12(b)	12.12	10.12	- 13.9	- 15.7	48		
13.12	12.96	12.04	11.84	11.04	10.60	13.92	9.80	- 37.9	- 18.2	49		
303.00	285.00	278.50	255.00	259.00	248.00	309.00	223.00	+ 120.0	- 13.0	50		

Source: Stock Exchanges.

## STATEMENT 46—BUDGETARY POSITION OF THE GOVERNMENT OF INDIA

(Crates of Rupees)

	1950-51	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64 (Budget)
	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Budget)	(Revised)
I. Revenue Account										
A. Revenue (a) ..	403.86	481.19	561.23	673.33	610.21	778.59	877.46	1,035.72	1,235.37	1,442.32
B. Expenditure (c) ..	346.64	410.74	473.83	611.33	675.46	736.04	826.21	911.94	1,236.09	1,364.38
C. Surplus (+) or Deficit (-) ..	+ 59.22	+ 40.45	+ 89.43	+ 42.03	- 5.23	+ 42.33	+ 51.25	+ 124.85	+ 0.72	- 22.06
II. Capital Account										
A. Receipts (d) ..	101.45	280.93	302.75	237.62	513.56(e)	751.92(f)	1,127.01(f)	937.31(f)	1,313.02	1,618.62(f)
B. Disbursements ..	182.39	470.92	616.78	843.07	813.20	938.24(g)	1,000.53	1,171.61	1,402.83	1,515.92
C. Surplus (+) or Deficit (-) ..	- 78.14	- 189.97	- 114.03	- 343.45	- 222.67	- 223.32	+ 125.47	- 214.27	- 89.81	- 276.22
III. Miscellaneous										
(N) (a) ..	+ 11.25	- 10.45	+ 39.32	+ 44.82	+ 3.99	- 11.31	- 62.37	- 25.09	+ 0.93	+ 9.50
IV. Overall Surplus (+) or Deficit (-) (C) (e) (f) (h) ..	- 159.87	- 164.75	- 153.51	- 211.91	- 162.53	+ 116.83	- 114.51	- 89.53	- 285.78	- 151.05
Financed by :										
A. Treasury bills (i)										
Increase (-) ..	16.10	- 123.38	- 240.45	- 159.43	- 204.70	- 201.38(g)	+ 141.31	- 118.69	- 89.00	- 151.00
B. Cash balances										
Decrease (-) ..	+ 13.44	- 36.49	+ 55.70	+ 0.85	+ 17.24	+ 34.60	- 24.46	+ 4.13	- 0.38	+ 1.22
(1) Opening balance 149.30	32.21	-	4.66	10.96	52.11	34.87	69.67	45.22	49.92	49.40
(2) Closing balance 161.94 ..	4.26	-	51.04	31.81	34.87	69.67	45.21	49.40	49.34	50.62
(3) Increase in cash between England and India (j) ..	-	-	-	-	-	-	-	-	-	-

Note : Accounts are provisional. Budget estimates for 1963-64 relate to those presented to the Lok Sabha.

(a) Excluding State's share of excess duties and other taxes; (b) including the effect of budget proposals, subsequent modifications and tax proposals have not been taken into account; (c) including the payment of State's share of excise duties and a small tax on each bullet; (d) including Treasury bill receipts; (e) includes the conversion of old and new Treasury bills of Rs. 100 each into a 4 per cent Loan 1971 which was taken over by the Reserve Bank in July 1958 and is not intended to be placed on the market, but includes a total of Treasury bills of Rs. 25.5 crore issued through public auction; (f) includes old and new Treasury bills of Rs. 150 crore in 1959-60 and Rs. 30 crore each in 1960-61, 1961-62 and 1962-63 respectively issued in December 1962, February 1963, January 1964 and December 1962, respectively; (g) includes an amount of Rs. 17.9 crores, representing a loan issued to the Reserve Bank for purchase of gold for part payment of India's increased subscription to the IMF; (h) remittances and transfers of cash between England and India; (i) mostly sold to the Reserve Bank.

## STATEMENT 47—CONSOLIDATED BUDGETARY POSITION OF STATES

(Crores of Rupees)

	1951-52 (Ac- counts)	1955-56 (Revised)	1956-57 (Budget)	1957-58 (Ac- counts)	1958-59 (Ac- counts)	1959-60 (Ac- counts)	1960-61 (Ac- counts)	1961-62 (Ac- counts)	1962-63 (Budget) (Revised)	1963-64 (Budget)
<b>I. Revenue Account</b>										
A. Revenue (a)	..	..	396.4	546.3	570.7	711.7	812.6	907.0	1,011.8	1,073.5
B. Expenditure (b)	..	..	392.6	624.8	654.2	683.9	765.1	859.8	987.4	1,121.3
C. Surplus (+) or Deficit (—)	..	..	+3.8	—78.5	—83.5	+27.8	+47.5	+37.2	+24.4	—34.9
<b>II. Capital Account</b>										
A. Receipts (b)	..	..	135.0	379.7	426.8	400.0	441.6	482.0	580.0	699.9
B. Disbursements	..	..	188.7	369.7	454.0	432.1	434.9	507.4	632.9	668.5
C. Surplus (+) or Deficit (—)	..	..	-53.7	+10.0	-27.2	-32.1	+6.7	-25.4	-52.9	+31.4
III. Miscellaneous (Net) (c)	..	..	+1.6	-0.8	-15.6	-17	-0.4	-19.9	-21.0	-0.2
IV. Overall Surplus (+) or Deficit (—)	..	..	-48.3	-69.4	-109.9	-19.9	+52.5	+11.4	-43.4	-37.5
<b>Financed by :</b>										
<b>A. Increase (+) or Decrease (—) in</b>										
Cash Balances (a) ..	..	..	-10.8	-51.1	-60.9	-12.2	+3.5	-22.7	+3.7(e) — 0.9	-35.5 — 9.8
(1) Opening balance ..	..	..	61.5	92.1	41.0	27.6	14.5	18.0	-4.6 — 0.9	-32.8 — 1.7
(2) Closing balance ..	..	..	50.7	41.0	-19.9	15.4	18.0	-4.7	-0.9 — 1.8	-68.3 — 11.5
B. Purchase (+) or Sale (—) of Securities ..	..	..	-37.6	-18.3	-49.0	-7.7	+49.0	+34.1	-52.1	-36.6 — 30.6 — 48.8 — 10.5

## Financed by :

## A. Increase (+) or Decrease (—) in

## Cash Balances (a) ..

## (1) Opening balance ..

## (2) Closing balance ..

B. Purchase (+) or Sale (—) of  
Securities ..

Note : The figures for 1951-52 do not include the then Part C States (i.e., Ajmer, Bhopal, Coorg, Delhi, Harnachal Pradesh and Vindhya (a Pradech) since they had capital budgets only from 1954-55. For 1955-56 and 1956-57 revised and budget estimates, respectively, are used since later figures are not available. The figures of purchase and sale of securities upto 1956-57 relate to the then Part A and Part B States. The figures from 1957-58 onwards relate to the reorganised States which exclude Delhi and Harnachal Pradesh which are now Union Territories and include Kutch which was a part of the composite State of Bombay till 1959-60 and now a part of Gujarat State. The figures from 1957-58 onwards include Jammu and Kashmir. The budget estimates for 1963-64 are before tax changes except in the case of Orissa, Kerala and Jammu and Kashmir. The position before tax changes in all States is also shown in brackets.

(a) Transfers from and to funds are excluded from revenue and expenditure, respectively. (b) Excluding net purchase or sale of securities. (c) Consists of rentals. (d) Including overdraft. (e) For the purpose of arriving at this figure, the opening balance for 1960-61, given in the budget papers of Maharashtra (which represents the figures for the Composite State of Bombay) has been adjusted to exclude the amount transferred to Gujarat.

## STATEMENT 48—REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA

	(On Revenue Account)						(Crores of Rupees)						
	1950-51	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64 (Budget)			
	(Ac- counts)	(Ac- counts)	(Ac- counts)	(Ac- counts)	(Ac- counts)	(Ac- counts)	(Ac- counts)	(Ac- counts)	(Ac- counts)	(Revised)			
REVENUE													
I.	Taxes on Income and Expenditure (1+2+3)	..	125.70	113.23	141.17	146.40	151.18	176.88	191.97	228.84	247.20	264.93	347.15
	Taxes on income other than corporation tax	..	132.73	131.35	151.74	163.70	172.01	148.85	167.38	165.39	163.35	172.50	218.00
	Less State share	..	47.52	55.16	58.75	73.43	75.80	79.32	87.37	93.85	94.70	95.27	97.95
1.	Net receipts	..	85.21	76.19	92.99	90.27	96.21	69.53	80.01	71.54	68.65	77.23	120.05
2.	Corporation tax	..	40.49	37.04	51.18	56.13	54.33	106.56	111.05	156.46	178.45	187.50	227.00
3.	Expenditure tax	..	—	—	—	—	0.64	0.19	0.91	0.84	0.10	0.20	0.10
II.	Taxes on Property and Capital Transactions (1+2+3+4+5)	..	3.81	2.55	2.41	19.61	14.91	17.02	13.49	14.21	14.73	15.40	16.04
	State duty	..	1.81	2.11	2.31	2.70	2.70	3.09	4.21	4.00	4.00	4.00	4.00
	Less State share	..	1.86	2.41	2.40	2.38	2.76	2.91	3.88	3.88	3.88	3.88	3.88
1.	Net receipts	..	—0.05	—0.30	—0.32	—0.32	0.18	0.33	0.12	0.12	0.12	0.12	0.12
2.	Tax on wealth	..	—	—	7.04	9.67	12.11	8.13	8.26	9.00	9.00	9.40	9.40
3.	Gift tax	..	—	—	—	—	0.98	0.81	0.89	1.01	0.85	0.95	0.95
4.	Stamp and registration	..	1.81	1.72	2.17	3.31	3.41	3.35	3.68	4.05	4.09	4.64	4.87
5.	Land revenue	..	2.00	0.88	0.34	0.35	0.33	0.60	0.59	0.56	0.67	0.69	0.70
III.	Taxes on Commodities and Services (1+2+3+4)	..	227.49	295.69	347.18	418.32	386.97	448.54	524.68	632.32	626.55	672.85	885.39
Customs	Imports	..	107.70	127.98	140.52	150.94	116.53	135.82	154.61	198.22	197.47	224.32	306.64
	Exports	..	47.16	37.76	28.67	26.83	20.84	14.89	13.12	12.69	2.15	9.33	3.95
	Other revenue	..	6.37	4.22	7.31	7.23	5.41	7.82	9.21	7.82	6.50	6.50	6.50
	Other refunds	..	4.28	3.26	3.27	5.06	4.49	4.16	5.91	6.48	6.00	8.50	8.50
1.	Net receipts	..	157.15	166.20	173.23	179.99	138.29	156.11	170.93	212.25	207.82	231.65	308.59
	Union excise duties (Of which additional excise duties)	..	67.54	145.25	190.43	273.62	312.94	360.65	416.35	489.31	522.02	553.69	700.17
2.	Less State share	..	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
2.	Net receipts	..	67.54	128.63	172.21	233.40	272.99	285.95	341.75	80.63	114.36	124.91	137.67
	Tax on railway passenger fares	..	—	—	—	—	3.68	12.24	12.81	15.89	403.66	407.66	428.78
3.	Less State share	..	—	—	—	—	4.41	10.89	13.07	13.79	—	—	562.50
4.	Other taxes & duties	..	2.80	0.31	1.74	5.66	—0.73	1.35	—0.26	2.10	11.30	6.74	14.30
IV.	Total Tax Revenue (I+II+III)	..	357.00	411.47	493.76	575.33	553.06	642.44	730.14	875.37	888.48	933.18	1,248.58(n)
V.	Administrative Receipts	..	12.53	17.08	16.90	43.53	53.94	52.31	59.32	51.92	50.38	59.53	48.64

	VII.	Net Contribution of Public Undertakings (1+2+3+4)	VIII.	Total Revenue (IV+V+VI+VII)
1. Railways	23.16	28.92	31.81	36.27
2. Posts and telegraphs	6.50	5.86	6.29	5.96
3. Currency and mint	3.98	3.47	6.32	3.71
3. Profits of the Reserve Bank of India	9.71	19.75	19.44	26.04
4. Others (b)	(9.91)	(20.00)	(20.00)	(30.00)
5. Other Revenue	13.17	23.72	20.76	18.20
	405.86	481.19	563.23	673.38
			670.21	778.59
			877.46	1,036.79
			1,235.37	1,342.32
			1,696.91	

	Revenue	Expenditure	Surplus (+) or deficit (-)
<b>IX. Collection of Taxes, Duties and Other Principal Revenues (d)</b>	10,24 21,29 164,33 37,36	12,51 33,57 172,23 43,14	14,45 38,06 192,15 39,06
<b>X. Civil Administration (e)</b>			
<b>XI. Defence Services (Net)</b>			
<b>XII. Debt Services (f)</b>			
<b>XIII. Pensions, Superannuation and Privy Purse (including allowances)</b>	6,99	8,97	8,96
<b>XIV. Extraordinary Charges (g)</b>	0,07	42,34	42,34
<b>XV. Miscellaneous (h)</b>	39,50	82,41	108,09
<b>XVI. Social and Developmental Services (i)</b>			
<b>XVII. Contributions and Miscellaneous Adjustments between Union and State Governments (j)</b>	15,59	15,87	28,26
<b>XVIII. Other Expenditure (k)</b>	7,19	3,22	2,46
<b>XIX. Total Expenditure</b>	36,64 +59,22	40,74 +40,45	47,83 +89,40
			<b>Total Surplus (+) or deficit (-)</b>

Note : (1) The figures of total revenue and expenditure as given in the Budget papers differ from those in the Budget papers as receipts from forests, opium and currency, and man are shown on a net basis and share of Unoccupied districts are excluded. Owing to changes in accounting classic for currency, the figures in respect of items VII, XII and XVI are not comparable with those for earlier years. Budget estimates for item XVII include self-balancing items in respect of grants under Forests, opium and States Funds.

(2) Including effect of budget proposals; subsequent modifications to tax proposals, have not been taken into account. (b) Including forests, opium, dividends due from commercial and other undertakings. (c) Includes recoveries from interest charges till 1961-62. (d) Excludes forests, opium and States Funds.

(3) Including effect of budget proposals; subsequent modifications to tax proposals, have not been taken into account. (e) Comprises General Administration, Audit, Administration of Justice, Jails, Police, Tribal Areas and other departments of administrative nature and Supplies and Disposals.

(4) Including effect of budget proposals; subsequent modifications to tax proposals, have not been taken into account. (f) Comprises Irrigation, electricity, road and water transport schemes and from 1962-63, these grants are shown against item XVII. (g) Includes provision for grants to Commercial Departments like Railways and Posts and Telegraphs which were hitherto booked in the accounts of appropriate ministries. From 1961-62 these figures are transferred to miscellaneous expenditure under item XVII. (h) Comprises certain grants to States; from 1961-62 these grants are shown against item XVII. (i) Comprises irrigation and multi-purpose river schemes, ports and pilotage, lighthouses and lightships, scientific departments, education, medical, public health, agriculture, rural development, animal husbandry, co-operation, industries (and supplies, upto 1961-62), aviation, broadcasting, civil works, post-war reconstruction and electrification schemes, community development projects, national extension service, labour and employment, overseas communications service and miscellaneous civil defence and pre-paration payments.

(j) Comprises irrigation and multi-purpose river schemes, ports and pilotage, lighthouses and lightships, scientific departments, education, medical, public health, agriculture, rural development, animal husbandry, co-operation, industries (and supplies, upto 1961-62), aviation, broadcasting, civil works, post-war reconstruction and electrification schemes, community development projects, national extension service, labour and employment, overseas communications service and miscellaneous civil defence and pre-paration payments.

## STATEMENT 49—REVENUE FROM UNION EXCISE DUTIES

(Lakhs of Rupees)

Commodity	1950-51 (Accounts)	1955-56 (Accounts)	1956-57 (Accounts)	1957-58 (Accounts)	1958-59 (Accounts)	1959-60(a) (Accounts)	1960-61(a) (Accounts)	1961-62(a) (Accounts)	1962-63 (Accounts)	1963-64(b) (Budget)
<b>Flat duties on :</b>										
Motor spirit	..	2.08	23.05	25.23	30.85	32.52	35.40	40.46	45.51	51.00
Kerosene	..	..	2.43	3.29	3.06	4.15	6.31	8.29	12.84	14.34
Sugar	..	..	6.46	18.58	20.88	42.75	52.27	50.00	44.19	47.23
Matches	..	..	8.07	10.08	10.05	15.05	19.21	17.96	18.08	21.20
Steelings	..	..	54	69	64	6.25	7.29	10.34	13.14	15.51
Tyres and tubes	..	..	40.4	5.53	6.15	3.87	7.16	10.44	13.54	14.50
Tobacco	..	..	31.99	16.46	38.43	45.49	49.09	50.89	53.73	56.45
Vegetable products	..	..	2.19	3.82	4.35	3.92	3.86	5.49	5.63	6.06
Coffee	..	..	1.17	93	1.20	1.32	1.34	1.46	1.35	1.92
Tea	..	..	3.36	3.17	3.19	3.86	4.71	7.74	7.47	10.57
Cotton fabrics	..	..	9.26	28.18	51.86	64.60	57.40	46.75	45.94	47.51
Artificial silk fabrics ..	..	..	..	2.18	1.03	1.69	1.96	2.07	2.05	85
Cement	..	..	..	2.22	2.55	11.17	13.91	16.76	18.45	18.32
Footwear	..	..	..	84	99	97	1.05	1.16	1.52	1.74
Soap	..	..	..	1.53	1.85	1.76	2.23	2.10	2.38	2.46
Woollen fabrics	..	..	..	53	61	61	86	75	90	1.35
Electric fans	..	..	..	27	32	46	53	72	1.17	1.20
Electric bulbs	..	..	..	25	28	30	33	40	68	88
Electric batteries	..	..	..	73	89	80	98	1.16	1.88	1.79
Paper	..	..	..	2.68	3.27	5.39	6.78	7.97	8.38	11.51
Paints and varnishes ..	..	..	1.01	1.17	1.20	1.27	1.37	1.40	2.12	2.25
Vegetable non-sensitised oils	..	..	29	5.30	9.80	10.92	13.35	11.69	10.47	11.00
Refined diesel oils and vapourizing oils ..	..	..	16	2.53	7.91	9.60	24.50	36.38	43.36	40.00

and vapourizing oils

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Industrial fuel oils ..	47	3,03	3,24	4,77	11,91	13,01	14,49	17,64	28,04
Rayon and synthetic fibres and yarn ..	"	"	7	29	86	202	282	5,58	8,00
Motor vehicles ..	"	"	5	32	29	63	8,03	10,30	10,50
Coal cess ..	1,62	2,38	2,18	2,68	3,25	3,16	5,40	9,98	13,60
Cess on copra ..	"	"	"	12	13	10	9	12	7,25
Cess on oils and oilseeds ..	"	"	15	91	41	54	51	30	10
Soda ash ..	"	"	"	"	"	2	2	30	20
Caustic soda ..	"	"	"	"	"	"	41	55	40
Coal tar dyes and coal tar derivatives ..	"	"	"	"	"	"	"	"	55
Cosmetics and toilet preparations ..	"	"	"	"	"	9	2,15	2,00	2,48
Patent or proprietary medicines ..	"	"	"	"	"	7	1,21	1,20	1,50
Plastics ..	"	"	"	"	"	26	4,19	5,25	5,40
Cotton yarn ..	"	"	"	"	"	8	1,11	1,25	1,50
Woollen yarn ..	"	"	"	"	"	13	4,98	7,50	9,20
Glass and Glassware ..	"	"	"	"	"	2	1,02	2,00	2,67
Chutaware ..	"	"	"	"	"	11	2,01	2,40	2,79
Copper and copper alloys ..	"	"	"	"	"	3	84	1,00	1,15
Refrigerators and air-conditioning machinery ..	"	"	"	"	"	7	1,73	1,85	2,20
Wireless receiving sets ..	"	"	"	"	"	2	86	1,00	1,13
Jute manufactures ..	"	"	"	"	"	6	1,25	1,20	1,67
Iron and steel products ..	"	"	"	"	"	"	"	3,90	4,40
Electric wires and cables ..	"	"	"	"	"	"	"	19,00	20,50
Miscellaneous ..	44	76	1,21	4,74	1,73	5,12	16,15	16,11	20,90
Total gross revenue ..	71,50	149,24	192,75	274,51	299,67	339,07	385,69	453,65	656,81
<i>Less : Refunds and drawbacks</i>	3,96	3,99	2,32	3,50	3,05	6,74	7,94	3,30	4,50
Total net revenue ..	67,54	145,25	190,43	271,91	296,82	332,33	382,75	450,35	652,31
Additional duties on :	"	"	"	"	"	"	"	"	"
Sugar ..	"	"	"	"	"	"	"	"	"
Textiles ..	"	"	"	"	"	6,79	8,25	10,91	11,22
Tobacco ..	"	"	"	"	"	5,22	14,89	17,01	19,46
Total additional duties ..	"	"	"	"	"	4,11	5,18	5,68	7,48
Grand total—Union excise duties ..	"	"	"	2,61	16,12	28,32	33,60	38,96	47,86
<i>Less : States' share of excise duties ..</i>	67,54	145,25	190,43	273,62	312,94	369,65	416,35	489,31	553,69
Net receipts ..	67,54	128,68	172,21	233,40	239,95	285,95	341,25	408,66	562,50

(a) Figures are provisional. (b) Including the effect of budget proposals. Subsequent concessions have not been taken into account.

## STATEMENT 50—CAPITAL BUDGET OF THE GOVERNMENT OF INDIA

	(Crores of Rupees)					
	1950-51	1953-56	1957-58	1959-60	1960-61	1962-63
	(Acc- ounts)	(Acc- ounts)	(Acc- ounts)	(Acc- ounts)	(Acc- ounts)	(Acc- ounts)
REVENUE						
Internal (a)	..	30.34	103.68	157.73	136.17	227.41(b)
External	7.75	2.67	10.84	32.47	197.25	186.98
Special Floating Loan	..	..	..	..	..	71.43
Inter-State Debt Settlement	..	0.78	1.55	..	..	..
Treasury Deposit Receipts(e)	—7.13	..	..	..	..	..
State Bonds(f)	..	..	..	..	..	..
Gold Bonds	..	..	..	..	..	..
Small Savings(e)	31.52	66.51	58.95	69.46	78.21	82.91
Other Unfunded Debt(r)	8.30	16.89	18.84	20.40	19.46	23.77
Commodity Deposits	..	..	..	..	..	..
Investment of U.S. Government Counterpart Fund(s)	..	..	..	..	..	..
Railway Fund(s)	17.55	6.92	6.31	—24.43	—40.18	—8.91
Other Reserve Fund(s)	0.16	1.02	0.79	1.12	0.73	2.99
Appropriation for Reduction or Avoidance of Debt	5.00	5.00	5.00	5.00	5.00	5.00
Deposit under Income-Tax Act(t)	—31.21	—1.33	—2.83	3.22	—4.30	—14.03
Repayments of Loans by States	8.08	25.22	34.60	61.40	61.93	80.85
Special Development Fund(d)	..	..	40.40	30.73	32.83	49.48
Contingency Fund(s)	15.60	..	..	..	2.00	..
Other Items(e) (h) ..	19.09	13.09	—19.76	—40.02	—6.46	18.82
Total Receipts [Excluding Treasury Bills(l)]	104.45	280.95	302.75	297.62	598.53	757.92
DISBURSEMENTS						
Capital Outlay	..	..	..	..	..	..
Non-Developmental	..	..	..	..	..	..
Defence	4.19	17.49	19.70	22.93	27.68	26.11
Payment of Commuted Value of Pensions	—6.57	—9.01	—9.37	—9.40	—13.56	—4.11
					—1.04	—3.93
						—2.40
						—3.60
						—1.59

State Trading Schemes	—	2.26	—29.59	11.67	46.56	22.86	3.97	33.95	2.24	23.69	12.66	49.69
Currency, Mint and Security Printing Press	...	3.26	8.76	—0.23	0.44	3.23	77.50	6.48	6.92	7.22	13.79	11.92
Others(4)	...	15.01	3.67	19.87	24.65	21.00	34.81	65.54	56.93	62.43	78.56	57.20
Total Non-Developmental	...	13.63	—8.58	41.62	85.18	36.44	148.28	135.62	85.11	128.72	154.46	273.94
<b>Development</b>												
Railways	...	25.41	67.52	107.38	151.90	125.82	74.69	89.48	144.90	196.50	201.50	218.50
Posts and Telegraphs	...	7.07	9.03	9.59	10.83	10.70	3.09	11.26	11.25	15.08	14.92	28.00
Civil Aviation	...	1.82	1.95	2.47	2.55	3.31	3.78	3.46	3.01	4.09	3.15	3.66
Irrigation and Multi-Pur- pose River Schemes	...	2.56	2.98	2.33	3.42	3.27	4.32	1.31	2.06	10.38	4.58	10.69
Civil Works	...	9.11	24.35	23.34	18.02	19.90	20.53	38.92	41.63	65.27	63.52	75.49
Industrial Development	...	8.90	11.07	66.34	147.57	187.19	58.60	91.27	110.63	176.52	179.68	224.00
Other Heads (7)	...	2.53	18.84	21.24	14.10	15.26	21.32	34.18	37.68	55.89	49.54	53.09
Total Developmental	...	57.40	135.94	232.89	348.39	365.45	191.33	269.83	351.21	523.73	518.39	613.43
<b>Total Capital Outlay</b>	...	71.03	127.36	274.51	433.57	401.86	339.61	405.50	436.33	652.45	672.85	837.37
Discharge of Permanent Debt												
Internal	...	41.74	69.04	79.96	67.39	21.13	116.98	109.19	137.62	162.55	183.00	180.00
External	...	4.11	3.22	3.21	7.21	7.46	9.48	17.71	65.62	44.78	47.46	51.27
Discharge of Special Floating Debt	...	—	—	—	—	—	—	—	—	—	—	—
Inter-State Debt Settlement	...	—	0.63	0.16	1.45	—	0.12	—	1.79	—	—	3.43
Advances to States from Special Development Fund	...	61.46	241.24	202.03	—	—	—	—	—	440.35	400.21	529.14
Other Loans and Advances(e)	...	—	—	—	—	—	—	—	—	452.42	—	—
Total Disbursements	...	182.49	470.92	616.78	143.67	813.20	558.24	1,010.53	1,171.61	1,402.83	1,515.92	1,778.27
<b>Surplus (+) or deficit (-)</b>	...	—78.14	—89.97	—314.03	—545.45	—222.67	—206.32	+126.47	—24.27	—59.87	—276.22	—159.65

**Note:** (1) Figures of receipts and disbursements will not tally with those in the Budget papers as certain adjustments have been made here. (2) Accounts are provisional. (3) Receipts and disbursements include a formal adjustment in respect of loan assistance from the U.S. Government which is transferred to the Special Development Fund by debt to capital. (4) Treasury bill receipts and moneys received from remittance etc., have been excluded from this Statement. (5) Subsequent modifications in budget proposals for 1963-64 have not been taken into account.

(a) Excluding 15-year Annuity Certificates which are included under small savings. (b) Excludes the conversion of ad hoc Treasury bills of Rs. 300 crores into the public of Rs. 25.5 crores. (c) Excludes the conversion of ad hoc Treasury bills of Rs. 1.0 crores in 1959-60 and Rs. 50 crores each in 1960-61, 1961-62 and 1962-63 (Revised). (d) Including receipts from 41st year National Defence Bond 1972 which were on tap from November 10, 1962. (e) Figures are net. (f) Figures for the period April 1, 1960 to June 30, 1962 relate to Five-Year Interest Free Prize Funds 1962. Sales of these funds were discontinued from July 1, 1962 and a new series called Premium Prize Bonds, 1963 were issued from January 1, 1963. (g) Receipts comprise the sale proceeds of American (Lcsm) wheat, wheat received under the Colombo Plan, assistance under Indo-U.S. Technical Assistance Agreement and other aid. (h) Received from the Reserve Bank of India. (i) Excludes an amount of Rs. 17.9 crores, representing a grant-in-aid to the International Monetary Fund. (j) Includes transfer of gold for part payment of India's increased subscription to the International Monetary Fund. (k) Includes Contingency Fund and payments to displaced persons. (l) Includes Grants to States for development purposes, Port, etc.

4 per cent. Loan, 1973 which was taken over by the Reserve Bank in July 1958, and is not intended to be placed on the market, but includes sale of Treasury bills to the public of Rs. 25.5 crores. (c) Excludes the conversion of ad hoc Treasury bills of Rs. 1.0 crores in 1959-60 and Rs. 50 crores each in 1960-61, 1961-62 and 1962-63 (Revised). (d) Including receipts from 41st year National Defence Bond 1972 which were on tap from November 10, 1962. (e) Figures are net. (f) Figures for the period April 1, 1960 to June 30, 1962 relate to Five-Year Interest Free Prize Funds 1962. Sales of these funds were discontinued from July 1, 1962 and a new series called Premium Prize Bonds, 1963 were issued from January 1, 1963. (g) Receipts comprise the sale proceeds of American (Lcsm) wheat, wheat received under the Colombo Plan, assistance under Indo-U.S. Technical Assistance Agreement and other aid. (h) Received from the Reserve Bank of India. (i) Excludes an amount of Rs. 17.9 crores, representing a grant-in-aid to the International Monetary Fund. (j) Includes transfer of gold for part payment of India's increased subscription to the International Monetary Fund. (k) Includes Contingency Fund and payments to displaced persons. (l) Includes Grants to States for development purposes, Port, etc.

## REPORT ON CURRENCY AND FINANCE 1962-63

## STATEMENT 51—BUDGETARY POSITION OF INDIVIDUAL STATE GOVERNMENTS

(In Revenue Account)

(Units of Rupees)

## REVENSUE

## EXPENDITURE

State	Tax Revenue				Non-tax revenue (c)(d)	Total revenue	Total expenditure (e)(f)	Social and developmental services (f)(g)	Surplus/(—) deficit/(—)
	Taxes on income(s)	Taxes on property (including land-rent(s))	Taxes on capital and financial transac- tions (h)	Taxes on commer- cial and service(s)					
1	2	3	4	5	6	7	8	9	10

<b>Andhra Pradesh</b>									
1961-62 (Accounts) ..	11	7,076	14,332	34,116	55,54	28,66	81,60	81,29	- 31
1961-62 (Accounts) ..	12	7,55	15,98	36,76	56,76	27,48	81,16	89,03	- 4,87
1961-62 (Revised) ..	13	7,22	17,23	41,66	66,83	35,40	81,23	65,81	+ 42
1962-63 (Revised) ..	14	7,56	20,05	41,98	68,61	35,49	114,01	44,02	113,91
1963-64 (Budget) ..	15	..	..	..	..	..	..	..	10
<b>Assam</b>									
1961-62 (Accounts) (h)	16	4,98	1,40	8,73	17,12	15,57	32,69	21,14	- 4,59
1961-62 (Accounts) ..	17	5,27	3,51	11,76	19,82	19,61	37,43	25,76	2,09
1962-63 (Revised) ..	18	5,31	4,14	12,35	22,23	20,81	43,07	29,51	1,92
1963-64 (Budget) ..	19	5,92	4,96	14,57	25,45	21,94	50,39	18,61	31,77
<b>Bihar</b>									
1961-62 (Accounts) ..	20	9,16	12,73	26,08	47,97	30,54	78,61	42,14	37,48
1961-62 (Accounts) ..	21	9,74	13,71	27,21	50,62	27,92	78,48	29,35	49,13
1962-63 (Revised) ..	22	9,51	14,23	31,79	55,53	27,58	83,09	44,60	38,49
1963-64 (Budget) ..	23	9,64	14,41	33,25	57,30	27,86	85,16	49,77	32,83
<b>Gujarat</b>									
1961-62 (Accounts) ..	24	6,67	22,61	37,87	14,14	52,01	21,42	29,26	50,68
1961-62 (Accounts) ..	25	9,14	7,26	28,71	45,11	16,89	62,08	27,78	34,30
1962-63 (Revised) ..	26	6,63	6,63	31,10	45,57	24,79	68,36	14,21	54,15
1963-64 (Budget) (h)	27	4,68	8,01	32,66	45,35	27,91	73,29	40,01	37,80
<b>Jammu &amp; Kashmir</b>									
1961-62 (Accounts) ..	28	..	..	..	..	..	..	..	..
1961-62 (Accounts) ..	29	1,05	50	1,21	3,86	14,77	18,63	5,42	11,17
1962-63 (Revised) ..	30	6,8	94	5,85	5,10	12,15	17,45	8,81	15,60
1963-64 (Budget) ..	31	73*	96	4,71	6,40	13,86	20,26	9,02	11,24
<b>Kerala</b>									
1961-62 (Accounts) ..	32	4,52	3,71	12,01	26,21	17,95	41,20	12,76	28,44
1961-62 (Accounts) ..	33	5,93	19,51	29,71	57,65	24,56	66,56	57,65	5,37
1962-63 (Revised) ..	34	4,36	24,41	34,44	55,46	26,00	68,45	40,74	1,31
1963-64 (Budget) ..	35	5,74	5,74	26,33	37,31	26,89	61,20	19,27	44,13
<b>Madhya Pradesh</b>									
1961-62 (Accounts) (h)	36	5,91	11,62	21,42	59,12	29,13	64,25	24,66	62,96
1961-62 (Accounts) ..	37	6,34	11,07	23,49	40,93	31,59	74,48	48,21	2,79
1962-63 (Revised) ..	38	6,17	13,07	31,67	60,93	31,44	84,17	52,30	38,60
1963-64 (Budget) ..	39	6,15	13,95	31,95	62,49	32,89	90,54	51,07	39,47

**Note.** Figures given here would differ from those in the budget papers, as certain adjustments have been made to ensure uniformity in presentation. Budget estimates for 1961-64 are before tax changes except in the case of Orissa, Kerala and Jammu & Kashmir; the position before tax changes in all the States is shown in brackets. (b) Includes States' share of income-tax, agricultural income-tax and profession tax. (c) Commences revenue duties, sales taxes, entertainment tax, electric supply tax, stamp and registration and other taxes and duties. (d) Includes administrative expenses, net contribution of public enterprises, grants-in-aid, and other contributions from the Central Government, State Government, local authorities, etc. (e) Covers collection of taxes, duties and other principal revenues, debt services and other receipts. (f) Includes education, medical and public health, agriculture, irrigation, electricity schemes, rural and community development projects, civil works, industries and supplies and other development expenditure. (g) Relates to Contingency Fund. (h) Excludes amounts transferred from the Revenue Reserve Fund. (k) Includes those for Gujarat for April 1960 to March 1961. (l) Excludes amounts transferred from the Contingency Fund. (m) Relates to eleven months from May 1960 to March 1961. (n) Excludes amounts transferred from the Revenue Reserve Fund. (o) Excludes amounts transferred from the Contingency Fund. (p) Excludes amounts transferred from the Revenue Reserve Fund. (q) Excludes amounts transferred from the Contingency Fund. (r) Excludes amounts transferred from the Revenue Reserve Fund. (s) Excludes amounts transferred from the Contingency Fund. (t) Excludes amounts transferred from the Revenue Reserve Fund. (u) Excludes amounts transferred from the Contingency Fund. (v) Excludes amounts transferred from the Revenue Reserve Fund. (w) Excludes amounts transferred from the Contingency Fund. (x) Excludes amounts transferred from the Revenue Reserve Fund. (y) Excludes amounts transferred from the Contingency Fund. (z) Excludes amounts transferred from the Revenue Reserve Fund.

## STATEMENT 52.—REVENUE AND EXPENDITURE OF STATES

(On Revenue Account)

	1951-52	1955-56 (Acc- ounts)	1956-57 (Acc- ounts)	1957-58 (Acc- ounts)	1958-59 (Acc- ounts)	1959-60 (Acc- ounts)	1960-61 (Acc- ounts)	1961-62 (Acc- ounts)	1962-63 (Acc- ounts)	1963-64 (Budget)	(Lakhs of Rupees)	
											Revenue	(Rev- enue) (Budget)
<b>TAX REVENUE:</b>												
Tax on Income	57,05	61,12	59,33	81,40	84,55	88,80	100,47	104,26	100,10	105,02	109,20	
Share of Income-tax	52,65	55,27	53,51	73,36	75,80	90,53	94,37	90,95	94,85	98,13	98,13	
Agricultural Income-tax	4,33	5,74	5,73	7,80	8,42	8,92	9,49	9,44	8,73	10,25	10,25	
Profession tax	4,7	11	9	24	33	38	40	45	42	65	62	
Tax on Property and Capital Transactions	75,40	112,39	126,88	125,40	132,14	141,00	144,41	148,75	155,31	165,65	182,76	
Estate duty	—	—	1,94	2,38	2,40	2,38	2,77	2,89	3,89	3,91	3,92	
Land Revenue	—	—	47,99	80,33	92,66	91,85	95,15	97,19	92,23	102,30	120,13	
Stamps and registrations	—	—	25,56	25,11	29,90	31,69	35,53	40,69	43,33	46,37	57,72	
Urban immovable property tax	—	—	1,85	2,01	1,94	2,19	2,38	2,39	1,00	1,06	1,65	
Taxes on Commodities and Services	—	—	148,60	176,02	180,52	265,18	320,37	347,62	379,90	409,58	465,27	
Union excise	—	—	70	16,60	17,94	40,21	73,92	74,71	50,65	114,40	127,08	
State excise	—	—	49,41	43,49	42,76	46,02	46,94	49,60	53,11	58,38	60,54	
General sales tax	—	—	54,40	68,28	70,66	107,13	111,68	124,37	142,44	163,14	163,09	
Sales tax on motor vehicles	—	—	4,53	8,10	8,73	9,85	12,19	12,46	16,30	18,30	18,81	
Motor vehicle taxes	—	—	10,09	14,39	14,98	21,13	24,46	26,38	34,10	21,26	22,29	
Tax on railway fares <sup>(a)</sup>	—	—	—	—	—	—	—	—	37,93	39,35	50,08	
Internal trade tax	—	—	6,39	6,40	6,53	8,56	10,65	11,32	13,11	15,10	15,98	
Electricity duties	—	—	3,39	5,63	5,81	7,15	10,51	11,97	12,51	14,89	17,27	
Other taxes and duties <sup>(b)</sup>	—	—	19,69	12,83	14,01	20,08	20,04	23,75	19,43	20,99	14,80	
Total Tax Revenue	—	—	281,05	349,53	366,73	471,98	537,05	577,42	624,78	662,58	720,69	
<b>NON-TAX REVENUE:</b>												
Administrative Receipts <sup>(c)</sup>	—	38,13	60,44	66,70	87,03	104,49	122,66	139,53	85,50	83,51	88,10	
Net Contribution of Public Enterprises <sup>(d)</sup>	—	24,92	30,07	34,84	42,93	39,69	43,55	47,44	50,37	54,54	95,40	
Interest	—	—	12,61	12,82	11,99	24,12	29,97	32,53	34,31	32,01	31,58	
Profitation <sup>(e)</sup>	—	—	8,03	8,51	10,90	7,34	6,03	6,76	6,24	11,01	8,63	
Electricity schemes	—	—	3,41	5,96	7,66	6,40	6,61	1,86	1,45	2,37	3,60	
Road and water transport	—	—	77	2,03	3,51	4,84	4,59	4,86	5,74	5,38	5,22	
Industries and others	—	—	10	75	82	3	93	10	—1,90	7,29	6,55	
Other Revenue <sup>(f)</sup>	—	—	26,94	36,66	37,25	40,44	49,54	60,18	78,43	81,99	126,15	
Grants-in-aid and other contributions <sup>(g)</sup>	—	—	15,76	67,61	65,19	74,34	81,81	103,18	121,83	194,88	1,4,46	
Total Non-Tax Revenue	—	—	115,35	196,78	201,93	239,73	275,53	329,57	387,01	410,90	134,90	
Total Revenue	—	—	396,40	546,31	570,65	711,71	806,99	1011,81	1073,49	1229,37	1,5,42	

(1352,00)

## EXPENDITURE

Social and Developmental Services (r)												
Medical and public health	60.30	105.04	119.93	130.37	147.25	170.90	195.39	234.45	253.25	266.31		
Agriculture, veterinary and Co-operation	29.22	48.83	54.27	57.85	67.96	80.84	93.39	105.38	106.95	110.92		
Irrigation (h)	25.90	42.31	46.66	46.23	51.75	62.10	65.95	75.77	95.69	89.63	100.67	
Rural and community development projects	17.62	25.02	22.93	23.76	23.43	29.41	31.36	52.52	37.53	39.21	40.77	
Civil works	4.61	7.10	9.14	8.61	7.26	5.01	5.35	3.06	3.63	2.42	3.58	
Industries and supplies	8.22	10.51	12.97	17.01	39.06	43.36	52.31	57.59	63.67	62.55	63.21	
Other developmental expenditure (i)	40.93	70.67	59.92	50.12	44.20	55.33	67.40	84.45	82.76	87.76	87.12	
Total Expenditure on Social and Developmental Services	196.31	356.46	387.15	386.06	422.98	492.28	569.63	660.23	731.04	774.21		
Non-Developmental Expenditure (r)												
Collection of taxes, duties and other Principal Revenues (j)	26.94	48.50	55.81	51.36	55.91	61.69	66.19	62.18	65.10	62.95	66.04	
Debt services (k)	8.49	18.84	20.08	16.99	51.51	72.19	84.38	99.66	135.28	165.25	178.64	
Civil administration (l)	106.65	124.50	128.04	139.14	145.05	153.72	167.00	185.66	193.34	202.26	203.48	
Miscellaneous (m)	17.53	26.62	26.18	28.41	35.06	42.48	42.93	50.24	62.89	71.15	75.17	
Famine	3.82	13.31	3.49	9.94	19.09	13.38	21.50	22.53	13.27	17.79	11.57	
Other non-development expenditure (n)	32.82	31.53	30.44	32.44	34.06	34.74	41.07	41.07	37.94	44.05	55.73	
Total Non-Developmental Expenditure	196.42	268.20	267.04	297.43	342.06	377.52	417.74	461.04	527.82	563.48	590.65	
Total Expenditure	392.63	624.76	654.19	633.89	765.14	826.10	987.27	1121.27	1264.29	1294.53	1364.86	
<i>Surplus (+) or deficit (-)</i>	+ 3.77		-78.45		-81.54		+ 47.45		+ 37.19		+ 24.44	
									-47.73		-34.92	
									-34.35		-10.61	
									(-12.86)			

Note.—Figures given here would differ from those in the budget papers as certain adjustments have been made to ensure uniformity in presentation. The figures for the year 1951-52 do not include the then Part C States (viz., Amer, Bharol, Coorg, Delhi, Hanchal Pradesh and Vindhya Pradesh) since separate revenue budgets for these States are available only from 1952-53. For 1955-56 and 1956-57, revised and trent estimates respectively have been shown under "Grants-aid and other contributions", which are now Union Territories and include Kutch which was a part of the Central Province of Bombay till 1956-57 and now a part of the Gujarat State. The figures from 1957-58 onwards include Jammu and Kashmir. The budget estimates for 1963-64 are before tax changes except in the case of Orissa, Kerala and Jammu & Kashmir. The position before tax changes in all States is also shown in brackets.

(a) From 1961-62, receipts from Railway fares have been excluded from tax revenue and included under "Grants-aid and other Contributions". (b) Includes sugar-cane cess, purchase tax on sugar, tax on passengers and goods, tobacco duty, etc. (c) Includes receipts from civil works and revenues of the various departments such as education, medical, public health, etc., and certain enterprises to revenue is not as given in the budgets and does not constitute a commercial surplus. (d) Irrigation works for which capital accounts are not kept separately in reduction of expenditure, stationery and printing and miscellaneous services; excludes transfers from reserve funds. (e) The classification on the basis of broad budget heads. (f) Includes interest on capital outlay; consequently the figures of expenditure on miscellaneous departments, aviation and ports and fisheries; from 1962-63 include interest charges on capital advanced to Central Government Departments, hitherto booked in the accounts of displaced persons, grants and other contributions to local bodies and private estates. (g) Covers expenditure on railways, roads and airports, scholarships, etc. (h) Includes pensions, stationery and printing and extra-ordinary charges, diversities in respect of all investments in autonomous undertakings, but excludes transfers to reserve funds.

## STATEMENT 53—CAPITAL BUDGET OF STATES

Note: (a) Figures given here would differ from those in the budget frasters as certain adjustments have been made to ensure uniformity in presentation. The figures for 1951-52 do not include the then Part C States (namely, Ajmer, Bhopal, Coorg, Delhi, Ilmanchala Pradesha and Vindhya Pradesh) since they had capital budgets only from 1954-55. For 1955-56 and 1956-57, revised and budget estimates used since later figures are not available. The figures from 1957-58 onwards relate to the reorganised States which exclude Delhi and Ilmanchala Pradesh which were part of Union Territories and include Kutch which was a part of the Composite State. The figures from 1957-58 also include Jammu and Kashmir. Figures for 1960-61 (Accounts) exclude Rs. 66.62 crores in the case of Uttar Pradesh Government representing the value of assets of electrically schemes transferred to the State Electricity Board; this item has been treated in the budget frasters as a loan to the State Electricity Board and shown as recovery of capital expenditure on electricity schemes.

(b) Figures are net. (c) This is a new item opened from National Agricultural Credit (Long-term Operations) Fund of the Reserve Bank of India loans from National Agricultural Credit Fund.

State banks or India, loans from Khadi and Village Industries Commission, Employees State Insurance Corporation, etc. (e) Including Contingency Fund transactions (net); also including in the case of Assam, transfers from Contingency Fund included under revenue account of that State. (f) Includes appropriations to Contingency Fund and other funds which are adjusted under the item 'Depots' and all advances and other items. (g) The figure relates mainly to bonds issued in connection with the abolition of Zamindari. Jagirdari, etc., in view of the intention to centralise the market borrowings is shown under Loans from the Centre.

**STATEMENT 54—RAILWAY FINANCES**

	1956-57 (Acco- units)	1957-58 (Acco- units)	1958-59 (Acco- units)	1959-60 (Acco- units)	1960-61 (Acco- units)	1961-62 (Acco- units)	1962-63 (Acco- units)	1963-64 (Acco- units)
I. Capital-at-charge	..	..	..	..	..	..	..	..
II. Gross Traffic Receipts ..	287.64	963.98	1,071.71	1,222.44	1,256.59	1,432.28	1,520.87	1,621.98
(a) Passenger ..	263.01	316.29	347.57	379.73	390.21	422.34	456.89	500.50
(b) Goods ..	97.84	107.71	116.33	119.40	116.74	125.61	131.59	150.88
(c) Other traffic ..	16.64	20.87	21.09	21.23	21.59	22.71	26.41	30.82
(d) Other earnings* ..	142.01	180.29	203.96	246.82	260.50	286.14	306.20	321.50
III. Total Expenses ..	221.52	7.43	6.19	22.87	9.06	10.82	11.86	13.62
1. Ordinary Working Expenses ..	215.45	265.95	289.19	311.99	330.89	347.78	368.93	400.75
(a) Administrative ..	160.23	212.95	233.94	264.17	276.33	299.43	313.15	325.33
(b) Repairs and maintenance ..	23.16	31.52	34.74	22.17	34.39	34.97	37.51	36.34
(c) Operating staff ..	35.11	78.67	86.60	90.62	91.59	97.14	109.60	111.60
(d) Operation of rolling stock ..	30.72	49.73	52.80	53.82	57.14	63.91	63.44	71.83
(e) Miscellaneous (Other than staff and fuel) ..	13.35	23.58	27.23	34.03	52.47	57.28	64.38	71.64
(f) Labour welfare ..	19.39	19.19	10.65	14.86	15.65	17.71	62.80	68.35
(g) Suspense ..	3.19	14.97	16.47	18.29	19.14	19.53	18.30	17.72
2. Depreciation ..	—2.30	5.01	5.83	6.96	8.36	9.66	10.20	10.96
3. Payments to Worked Lines ..	..	..	39.00	45.00	45.00	45.00	45.00	45.00
4. Miscellaneous Expenses ..	..	0.25	0.26	0.35	0.26	0.11	0.10	0.09
(a) Open line works ..	..	4.97	7.74	9.92	12.56	9.45	13.15	10.69
(b) Others (net) ..	..	3.91	1.04	5.97	8.05	19.42	19.76	11.82
IV. Net Revenue (I—III) ..	..	..	1.77	1.87	2.14	—1.31	1.33	—0.81
V. Dividend to General Revenues ..	..	47.56	59.34	58.38	57.78	59.32	79.56	87.87
VI. Payment to General Revenues ..	..	32.51	36.12	38.16	44.40	50.39	54.43	55.86
Tax on Railways Passenger fares ..	..	..	..	..	..	..	..	..
VII. Surplus (IV—V—VI) ..	..	..	15.05	14.22	20.22	13.33	8.93	20.13
VIII. Appropriation to ..	..	..	..	..	..	..	..	..
(a) Development fund ..	..	..	19.00	7.08	20.22	13.38	8.93	20.13
(b) Revenue reserve fund ..	..	..	5.05	7.14	—	—	—	—
* Includes suspense.								

**PUBLIC FINANCE**

**STATEMENT 55—INTEREST-BEARING OBLIGATIONS AND INTEREST-YIELDING ASSETS OF  
THE GOVERNMENT OF INDIA**

	Outstanding at the end of						
	1950-51 (Revised)	1955-56 (Revised)	1956-57 (Revised)	1957-58 (Revised)	1958-59 (Revised)	1959-60 (Revised)	1960-61 (Revised)
<b>Interest-Bearing Obligations</b>							
<i>In India</i>							
1. Loans	1,418,466	1,509,611	1,588,454	1,701,255	2,183,800	2,442,111	2,572,211
2. Treasury bills, ways and means advances							
3. Treasury deposit receipts	373,20	711,87	865,25	1,215,70	1,275,12	1,283,32	1,262,60
4. Small savings	326,25	574,41	638,20	692,95	776,62	862,28	966,15
5. Investment of U.S. Government Counterpart Deposit Funds	155,56	186,76	215,41	166,68	113,61	101,21	87,28
6. Others							
7. Total	2,500,73	3,574,10	4,084,66	4,592,89	4,957,94	5,455,03	5,704,04
<i>In England</i>							
8. Loans	1	1	1	1	1	1	1
9. Others	34,82	22,59	0,56	0,55	22,12	76,63	107,17
10. Total	36,17	23,20	22,25	22,32	30,79	88,95	122,50
11. <i>Dollar Loans</i>	24,60	117,57	132,95	159,85	262,31	374,68	521,40
12. Defence Credits							
13. Loans from U.S.S.R.							
14. Loans from West Germany							
15. Loans from other foreign sources							
16. Total Interest-Bearing Obligations	2,561,59	3,311,59	3,676,13	4,216,13	4,963,59	5,567,64	6,280,60
<i>Interest-Bearing Assets</i>							
17. Capital advanced to railways	814,13	973,66	1,072,79	1,215,70	1,343,31	1,441,62	1,553,90
18. Capital advanced to other commercial departments (including D.V.C.)	90,11	112,03	150,19	164,88	186,49	206,48	219,69
19. Investment in commercial concerns	—	56,02	136,04	214,39	416,71	460,14	473,35
20. Capital advanced to States and other inter-Governmental bodies	216,97	959,13	1,187,30	1,384,31	1,731,81	2,106,44	2,521,28
21. Debt due from Pakistan	348,15( <i>a</i> )	300,00	309,00	308,00	300,00	300,00	300,00
22. Deposit with the U.K. Government for redemption of Railway Annuities	10,96	1,99	1,07	0,48	—	—	—
23. Purchase of annuities for Sterling pensions	20,89	65,41	59,50	55,91	20,64	20,03	19,43
24. Total Interest-Yielding Assets	1,681,21	2,468,29	2,906,89	3,295,87	3,998,96	4,553,71	5,089,65
25. Cash and securities held on Treasury Account	141,97	50,33	50,41	50,75	57,61	55,93	54,01
26. Balance of total interest-bearing obligations not covered by above assets	738,32	792,97	718,83	769,51	907,02	977,00	1,116,41

## PUBLIC FINANCE

## STATEMENT 56--DEBT POSITION OF THE GOVERNMENT OF INDIA

End of March	Rupee loans (a)	Percen- tage to total <sup>1</sup>	Treasury bills	Percen- tage to total	Small savings (b)	Percen- tage to total (c)	Other obliga- tions (e)	Percen- tage to total (f)	Total	Percen- tage increase (+) or decrease (-) over the previous year	External debt Total	Of which Dollar loans
1951	.. 1,438.46	58.2	364.72(f)	14.8	321.66	17.2	342.81	13.9	2,473.65	+ 2.3	49.81	24.60
1956	.. 1,508.67	49.1	593.25	19.4	576.07	18.8	390.29	12.7	3,070.28	+ 7.8	138.81	117.57
1957	.. 1,633.61	46.5	835.70	23.8	637.68	18.7	406.55	11.6	3,513.54	+ 14.4	160.98	132.95
1958	.. 1,699.50	41.2	1,295.12	31.4	707.00	17.1	422.37	10.2	4,123.99	+ 17.4	211.02	159.85
1959	.. 2,180.96(e)	47.1	1,225.32	26.5	785.49	17.0	437.21	9.4	4,628.98	+ 12.2	391.35	262.31
1960	.. 2,438.23(e)(f)	47.5	1,297.60	25.3	869.84	16.9	530.99	10.3	5,136.66	+ 11.0	630.50	374.68
1961	.. 2,571.33 (e)(f)(x)	46.9	1,106.30	20.2	974.61	17.8	325.77(y)	15.1	5,478.01	+ 6.6	846.22	521.40
1962	.. 2,668.45 (e)(f)(y)(h)	45.9	1,174.93	20.1	1,060.56	18.1	931.38(y)	15.9	5,855.37	+ 6.9	1,110.55	650.95
1963	.. 2,840.94 (e)(f)(g)(h)(i)	45.7	1,299.55	20.6	1,127.76	17.9	1,035.81(y)	16.4	6,304.06	+ 7.7	1,379.03(k)	869.46

Note : Figures are provisional, excepting those of Rupee loans and Treasury bills

(a) Figures from 1957 include Hyderabad State loans, the liability of which was taken over by the Central Government under Section 8(2)(i) of the States Reorganisation Act, 1956; the figures from 1961 include those of 5-year interest-free rupee bonds issued from April 1, 1960 and the figure for 1963 includes those of premium rupee bonds also issued from January 1963. (b) Inclusive of Indian Union's share of preparation liabilities. (c) Includes unclaimed balances of old loans which have ceased to bear interest from the date of discharge, (2) balances of special loans, (3) balances of State Provident Funds and other accounts such as General Family Pension Fund, the Hindu Family Annuity Fund, the Postal Insurance and Life Annuity Fund etc., and (4) unclaimed balances in respect of Three-Year Interest-Free Defence Bonds and Five-Year Interest-Free Defence Bonds; these were issued from June 1940 and January 1944, respectively and discontinued from May 1946 and January 1949, respectively. (d) Including Treasury deposit receipts. (e) Includes a special issue of the 4% Loan, 1973 for Rs. 300 crores created in July 1958 which was wholly taken up by the Reserve Bank of India against cancellation of ad hoc Treasury bills and held in the Issue Department as cover against note issue. (f) Includes further issues of Rs. 150 crores created in December 1959 against cancellation of ad hoc Treasury bills held by the Reserve Bank of India. (g) Includes further issues of Rs. 50 crores created in January 1961 against cancellation of ad hoc Treasury bills held by the Reserve Bank of India. (h) Includes further issues of Rs. 50 crores created in February 1962 against cancellation of ad hoc Treasury bills held by the Reserve Bank of India. (i) Includes further issues of Rs. 50 crores created in December 1962 against cancellation of ad hoc Treasury bills held by the Reserve Bank of India. (j) Includes investment of Rs. 240 crores, Rs. 300 crores and Rs. 355 crores of U.S. Government Counterpart Deposit Funds in 'Special Securities' for the years 1961, 1962 and 1963, respectively. (k) Includes outstanding of the 'Defence Certificates' which are being issued in foreign countries.

## REPORT ON CURRENCY AND FINANCE, 1962-63

STATEMENT 57—MATURITY PATTERN OF THE GOVERNMENT OF INDIA RUPEE LOANS (a)  
(Crores of Rupees)

	End of March	Unfunded	Percentage to total	Over 10 years	Percentage to total	Between 5 and 10 years	Percentage to total	Under 5 years	Percentage to total	Total (b)
	1	2	3	4	5	6	7	8	9	.
1951	237.85	17.9	519.33	36.7	342.51	23.8	318.77	22.2	1,438.46	
1956	237.85	17.7	241.17	16.0	616.52	40.9	393.13	26.7	1,508.67	
1957	237.85	15.3	245.83	15.0	665.43	40.7	464.50	23.4	1,633.61	
1958	237.85	15.2	239.08	15.2	625.22	36.8	557.35	23.8	1,659.50	
1959	237.85	17.3	606.41	27.8	596.84	27.4	719.87	33.0	2,180.96	
1960	237.85	10.6	707.48	29.0	662.38	27.2	810.53	33.7	2,438.23	
1961	237.85	10.0	670.45	26.9	756.41	29.4	866.63(c)	33.7	2,571.33(c)	
1962	237.84	9.6	806.43	30.0	698.96	26.0	925.21(c)	34.4	2,688.45(c)	
1963	237.84	9.7	869.67	30.6	711.51	25.0	1,001.91(c) (d)	35.3	2,840.94(c)(d)	

(a) Where loans bear two dates of maturity, the earlier date has been taken for purposes of classification; for loans not redeemed on the earlier date later date has been taken. (b) Excludes Hyderabad State loans from 1937 onwards, the liability for which was taken over by Central Government on October 31, 1956 under Section 82 (1) of the States Reorganisation Act; the total amount outstanding of Hyderabad loans was Rs. 4,652 crores for 1957, 1958 and 1959, Rs. 38.93 crores for 1960, Rs. 34.74 crores for 1961 and Rs. 25.15 crores for 1962 and 1963. (b) Figures are actual as available with the Reserve Bank of India and differ from those in Statement 55 which are revised estimates for all years. (c) Including 5 year Interest free Prize Bonds issued from April 1960. (d) Including Premium Prize Bonds issued from January 1963.

## STATEMENT 58—DEBT POSITION OF STATES

	At the end of									(Lakhs of Rupees)
	1951-52	1955-56(b)	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63(b)	
I. Public debt										
(I) Permanent debt	133.71	264.48	273.95	283.43	341.29	416.17	493.12(c)	569.53(c)	643.15(c)	
(ii) Floating debt	15.66	8.20	19.88	26.62	27.19	26.07	41.75	50.27	12.76	
(iii) Loans from Central Government	218.54	876.07	1,084.91	1,154.95	1,581.79	1,780.52	2,015.81	2,314.55	2,703.06	
(iv) Other debt(a)	..	..	2.20	9.23	26.94	42.55	51.57	61.60	77.61	
II. Unfunded debt	57.37	83.19	94.09	105.43	109.42	119.26	134.93	149.04	162.42	
III. Gross Total Debt	445.28	1,231.94	1,485.03	1,779.65	2,086.63	2,384.57	2,737.17	3,146.99	3,599.00	

Note: The figures in this Statement are based on actual returns furnished by the States except in certain cases where they are based on the Budget papers. The data for 1951-52 and 1955-56 exclude the then Part C States which had a separate Capital Account only from 1954-55. Figures from 1956-57 onwards relate to reorganised States and include Jammu & Kashmir from 1957-58.

(a) Includes loans from National Agricultural Credit (Long-Term Operations) Fund, National Co-operative Development and Warehousing Board, Khalid and Village Industries Commission, Employers' State Insurance Corporation, Life Insurance Corporation etc. (b) Revised estimates. (c) Excludes the amounts provisionally allocated to Kerala on the population ratio.

**STATEMENT 59—GOVERNMENT OF INDIA TREASURY BILLS  
(ANNUAL AND MONTHLY)**

(Lakhs of Rupees)

Period	Amount offered	Amount tendered	Amount sold	Sales of intermediate Treasury bills	Total sales (3+4)	Average rate of discount for auction sales (per cent per annum)	Sold in favour of the Reserve Bank of India (6)	Total amount outstanding at the end of the period (c)(d)		
								8		
1	2	3	4	5	6	7				
1950-51	..	..	55,50	86,25	55,50	55,50	2.52	1,394,35	358,02	
1955-56	..	..	1,00(a)	1,03(a)	1,00(a)	1,00(a)	2.53(a)	1,994,09	595,25	
1956-57	..	..	1,00(a)	1,03(a)	1,00(a)	1,00(a)	2.53(a)	2,737,58	835,70	
1957-58	..	..						4,236,65	1,295,12	
1958-59	..	..	81,00	122,06	81,00	5,79	86,79	2.52	4,644,56	1,225,32
1959-60	..	..	102,00	122,40	102,00	37,25	139,25	2.59	5,011,87	1,297,60
1960-61	..	..	100,00	108,74	100,00	15,72	115,72	2.65	4,532,92	1,106,30
1961-62	..	..	96,00	100,16	96,00	35,59	131,59	2.58	4,270,22	1,174,98
1962-63	..	..	96,00	107,45	96,00	68,06	164,06	2.42	4,798,97	1,299,55
April	1962	..	8,00	8,07	8,00	1,03	9,03	2.62	618,03	1,161,03
May	..	..	8,00	8,00	8,00	1,58	9,58	2.59	127,28	1,189,79
June	..	..	10,00	15,50	10,00	18,24	28,24	2.49	492,19	1,284,36
July	..	..	6,00	9,20	6,00	10,76	16,76	2.38	591,87	1,264,90
August	..	..	8,00	10,10	8,00	14,06	22,06	2.35	150,98	1,241,75
September	..	..	8,00	8,00	8,00	4,55	12,55	2.37	409,85	1,204,07
October	..	..	6,00	6,00	6,00	1,94	7,94	2.35	595,02	1,193,33
November	..	..	10,00	10,08	10,00	7,70	17,70	2.35	200,99	1,244,04
December	..	..	6,00	6,00	6,00	4,54	10,54	2.35	338,89	1,169,51
January	1963	..	8,00	8,00	8,00	71	8,71	2.36	672,87	1,248,93
February	..	..	8,00	8,50	8,00	1,49	9,49	2.36	193,97	1,236,47
March	..	..	10,00	10,00	10,00	1,46	11,46	2.37	407,04	1,299,55

*Note : Sales of Treasury bills to the public were suspended from December 20, 1949 to September 9, 1952, from April 20, 1954 to November 2, 1954 and from April 6, 1956 to July 28, 1958.*

(a) Figures relate to the issue for one week only. (b) Including creation/renewal of *ad hoc* Treasury bills. (c) Comprising amount outstanding on account of (i) Treasury bills held by the public, (ii) Treasury bills held by State Governments and other approved bodies, (iii) *ad hoc* created in 1948-49 for holding in the Bank's Issue Department to replace sterling securities transferred to the U.K. Government in terms of the Sterling Balances Agreement of July 1948 and (iv) *ad hoc* created since 1954-55 and held in the Issue Department for republishing the Centre's cash balances. The outstandings of *ad hoc* under (ii) and (iv) above amounted to Rs. 274.51 crores at the end of 1950-51, Rs. 487.52 crores at the end of 1955-56, Rs. 713.52 crores at the end of 1956-57, Rs. 1,189.52 crores at the end of 1957-58, Rs. 1,021.52 crores at the end of 1958-59, Rs. 1,020.41 crores at the end of 1959-60, Rs. 886.37 crores at the end of 1960-61, Rs. 912.41 crores at the end of 1961-62 and Rs. 1,048.41 crores at the end of 1962-63. (d) Excludes *ad hoc* Treasury bills for Rs. 300 crores funded in July 1958, Rs. 150 crores in December 1959 and Rs. 50 crores each in January 1961, February 1962 and December 1962.

## STATEMENT 60—GOVERNMENT OF INDIA

Week ended	Sales to Public						Average rate of discount for auction sales (percent per annum)	Sold in favour of the Reserve Bank of India(b)	Total amount outstanding at the end of the period(c)		
	Amount offered	Amount tendered	Amount sold(a)	Sales of intermediate Treasury bills	Total sales (3+4)	Amount discharged					
	1	2	3	4	5	6	7	8	9	10	
<b>1962</b>											
April	6 ..	2,00	2,00	2,00	3	2,03	2,15	28,65	2.64	71,52	1,153,46
"	13 ..	2,00	2,07	2,00	10	2,10	2,10	28,65	2.64	186,09	1,172,07
"	20 ..	2,00	2,00	2,00	45	2,45	2,35	28,75	2.62	205,70	1,147,23
"	27 ..	2,00	2,00	2,00	12	2,12	2,12	28,75	2.58	212,66	1,167,61
May	4 ..	2,00	2,00	2,00	45	2,45	2,13	29,08	2.58	46,05	1,169,37
"	11 ..	2,00	2,00	2,00	16	2,16	2,15	29,09	2.58	26,06	1,179,34
"	18 ..	2,00	2,00	2,00	21	2,21	2,10	29,19	2.59	10,85	1,185,30
"	25 ..	2,00	2,00	2,00	—	2,00	2,05	29,14	2.59	29,64	1,195,51
June	1 ..	2,00	2,00	2,00	4,11	6,11	2,13	33,12	2.54	32,11	1,195,14
"	8 ..	2,00	4,00	2,00	1,29	3,29	3,29	33,13	2.50	23,94	1,195,70
"	15 ..	2,00	3,25	2,00	44	2,44	2,16	33,41	2.51	140,65	1,190,55
"	22 ..	2,00	2,00	2,00	6,41	8,41	2,05	39,77	2.51	69,93	1,191,57
"	29 ..	2,00	4,25	2,00	7,10	9,10	2,00	46,87	2.40	242,33	1,284,36
July	6 ..	2,00	4,10	2,00	57	2,57	2,03	47,41	2.37	10,61	1,283,99
"	13 ..	—	—	—	10	10	2,10	45,41	—	176,09	1,296,99
"	20 ..	2,00	2,00	2,00	2,95	4,95	2,45	47,91	2.39	147,19	1,215,98
"	27 ..	2,00	3,10	2,00	7,06	9,06	2,12	54,85	2.38	251,93	1,262,20
August	3 ..	2,00	3,50	2,00	8,38	10,38	2,45	62,78	2.35	66,74	1,290,81
"	10 ..	2,00	2,50	2,00	3,85	5,85	2,16	66,47	2.35	25,40	1,293,81
"	17 ..	2,00	2,00	2,00	86	2,86	2,21	67,12	2.35	5,90	1,239,54
"	24 ..	2,00	2,10	2,00	1,00	3,00	2,00	68,12	2.35	20,45	1,241,35
"	31 ..	—	—	—	5	5	6,11	62,06	—	38,57	1,241,75
September	7 ..	2,00	2,00	2,00	1,30	3,30	3,29	62,07	2.37	12,23	1,240,05
"	14 ..	2,00	2,00	2,00	6	2,06	2,44	61,68	2.37	133,06	1,242,07
"	21 ..	2,00	2,00	2,00	90	2,90	8,41	56,17	2.37	59,82	1,221,47
"	28 ..	2,00	2,00	2,00	2,30	4,30	9,10	51,37	2.35	193,99	1,192,31

(a) Represent transactions relating to the particular issue of Treasury bills during the period. (b) Including creation/renewal of ad hoc Treasury bills. (c) Excludes ad hoc Treasury bills for Rs. 300 crores funded in July 1958, Rs. 150 crores in December 1959 and Rs. 50 crores each in January 1961, February 1962 and December 1962.

## TREASURY BILLS (WEEKLY), 1962-63

(Lakhs of Rupees)

Week ended	Sales to Public							Average rate of discount for auction sales (per cent per annum)	Sold in favour of the Reserve Bank of India(b)	Total amount outstanding at the end of the period(c)
	Amount offered	Amount tendered	Amount sold(a)	Sales of intermediate Treasury bills	Total sales (3+4)	Amount discharged	Amount outstanding			
	1	2	3	4	5	6	7	8	9	10
<b>1962 (contd.)</b>										
October 5 ..	2,00	2,00	2,00	—	2,00	2,57	50,80	2.36	22,90	1,210,03
" 12 ..	—	—	—	5	5	10	50,75	—	192,18	1,226,03
" 19 ..	2,00	2,00	2,00	38	2,38	4,95	48,18	2.37	143,49	1,219,81
" 26 ..	2,00	2,00	2,00	1,48	3,48	9,11	42,55	2.35	236,17	1,198,42
November 2 ..	2,00	2,04	2,00	11	2,11	10,33	34,33	2.35	81,22	1,204,68
" 9 ..	2,00	2,04	2,00	17	2,17	5,85	30,65	2.36	65,90	1,241,49
" 16 ..	2,00	2,00	2,00	1,68	3,68	2,86	31,46	2.36	14,08	1,250,49
" 23 ..	2,00	2,00	2,00	4,73	6,73	3,00	35,19	2.35	17,09	1,250,86
" 30 ..	2,00	2,00	2,00	1,05	3,05	5	38,19	2.35	28,75	1,244,04
December 7 ..	2,00	2,00	2,00	1,25	3,25	3,30	38,14	2.35	12,49	1,244,25
" 14 ..	2,00	2,00	2,00	16	2,16	2,06	38,24	2.35	128,23	1,239,53
" 21 ..	2,00	2,00	2,00	13	2,13	2,90	37,47	2.36	54,30	1,233,24
" 28 ..	—	—	—	—	—	4,30	33,17	—	143,04	1,172,99
<b>1963</b>										
January 4 ..	2,00	2,00	2,00	3,05	5,05	2,00	36,22	2.36	54,28	1,207,42
" 11 ..	2,00	2,00	2,00	5	2,05	5	38,22	2.36	205,98	1,224,21
" 18 ..	2,00	2,00	2,00	31	2,31	2,38	38,15	2.36	171,94	1,252,59
" 25 ..	2,00	2,00	2,00	23	2,23	3,51	36,88	2.36	228,29	1,243,43
February 1 ..	2,00	2,00	2,00	17	2,17	2,08	36,97	2.36	87,34	1,249,64
" 8 ..	2,00	2,50	2,00	78	2,78	2,17	37,58	2.36	66,70	1,251,06
" 15 ..	2,00	2,00	2,00	54	2,54	3,68	36,45	2.37	12,21	1,248,06
" 22 ..	2,00	2,00	2,00	1	2,01	6,73	31,73	2.37	17,43	1,243,70
March 1 ..	—	—	—	6	6	1,05	30,74	—	22,51	1,236,47
" 8‡ ..	4,00	4,00	4,00	1,26	5,26	5,25	30,74	2.37	6,94	1,230,92
" 15 ..	2,00	2,00	2,00	5	2,05	2,16	30,63	2.37	117,61	1,220,20
" 22 ..	2,00	2,00	2,00	6	2,06	2,13	30,56	2.37	45,40	1,211,23
" 29 ..	2,00	2,00	2,00	10	2,10	—	32,66	2.37	156,47	1,222,75

† Includes Rs. 2 crores offered/tendered on the 25th February 1963, the payment of which was received on the 2nd March 1963 instead of the due date viz., 1st March 1963, which was a holiday.

## STATEMENT 61—SMALL SAVINGS

Year/Month	CURRENT INVESTMENTS—									
	Post Office Savings Bank Deposits (a)				12-Year National Plan Savings Certificates (b)				4% Ten-Year Treasury Savings Deposit Certificates (b)	
	Gross receipts	Repayments	Net receipts	Outstandings	Gross receipts	Repayments	Net receipts	Outstandings	Net receipts	Outstandings
	1	2	3	4	5	6	7	8	9	10
1 1950-51	..	..	100.73	84.05	16.68	62.77				
2 1955-56	..	..	157.33	120.85	36.48	170.96				
3 1956-57	..	..	176.48	145.20	31.28	202.23				
4 1957-58	..	..	178.94	160.96	17.98	220.21	71.47	3	71.44	71.44
5 1958-59	..	..	190.54	170.36	20.18	240.40	87.45	6.11	81.34	152.78
6 1959-60	..	..	209.59	181.87	27.72	268.11	83.25	14.35	68.90	221.68
7 1960-61	..	..	236.88	191.82	45.06	313.17	82.51	17.45	65.06	286.74
8 1961-62	..	..	241.05	206.32	34.73	347.90	79.81	18.59	61.22	347.96
9 1962-63*	..	..	236.68	237.94	-1.26	346.64	42.15	21.67	20.48	368.44
10 April 1961	..	20.37	22.30	-1.93	311.24	5.59	2.42	3.17	289.91	2.08 39.42
11 May	..	19.28	20.48	-1.20	310.04	5.33	1.46	3.87	293.78	1.10 40.92
12 June	..	19.24	19.48	-24	309.80	6.57	1.48	5.09	298.87	1.51 42.43
13 July	..	20.71	16.43	4.28	314.08	6.66	1.24	5.42	304.29	1.90 44.33
14 August	..	19.19	15.71	3.48	317.56	6.73	1.30	5.43	309.72	1.33 45.66
15 September	..	17.79	15.90	1.89	319.45	6.38	1.30	5.08	314.80	1.38 47.04
16 October	..	17.72	16.33	1.39	320.84	5.30	1.15	4.15	318.95	1.06 48.10
17 November	..	17.42	17.26	16	321.00	6.50	1.25	5.25	324.20	1.11 49.21
18 December	..	17.41	16.58	83	321.83	6.37	1.28	5.09	329.29	96 50.17
19 January 1962	..	18.97	17.52	1.45	323.28	7.11	1.57	5.54	334.83	1.21 51.38
20 February	..	17.55	16.01	1.54	324.82	5.58	1.43	4.15	338.98	93 52.31
21 March	..	35.40	12.32	23.08	347.90	11.68	2.70	8.98	347.96	1.04 53.35
22 April	..	20.44	23.94	-3.50	344.40	5.32	1.72	3.60	351.56	1.33 54.68
23 May	..	19.89	24.72	-4.83	339.57	5.51	1.76	3.75	355.31	1.01 55.69
24 June	..	20.24	21.35	-1.11	338.46	5.96	1.71	4.25	359.56	87 56.56
25 July	..	21.79	17.64	4.15	342.61	6.25	1.43	4.82	364.38	94 57.50
26 August	..	20.56	16.89	3.67	346.28	5.73	1.46	4.27	368.65	97 58.47
27 September	..	18.86	16.18	2.68	348.96	6.27	1.29	4.98	373.63	96 59.43
28 October	..	19.27	17.85	1.42	350.38	6.44	1.33	5.11	378.74	1.05 60.48
29 November	..	15.53	23.13	-7.60	342.78	7.3	2.09	-1.36	377.38	44 60.92
30 December	..	16.22	18.61	-2.39	340.39	-2	2.10	-2.12	375.26	— 1 60.91
31 January 1963	..	17.03	19.00	-1.97	338.42	-4	2.00	-2.04	373.22	— 9 60.82
32 February	..	17.07	18.25	-1.18	337.24	—	2.07	-2.06	371.16	— 6 60.76
33 March	..	29.78	20.38	9.40	346.64	-1	2.71	-2.72	368.44	— 6 60.70

Note : (1) Outstandings relate to end of period and do not include the Indian Union's share of pre-partition liabilities; repayments, however, include those from the pre-partition holdings of Indian investors. (2) This Statement does not include the outstandings of 'Defence Certificates' which are being issued in foreign countries.

\* Figures are provisional; constituent items, therefore, do not necessarily add up to the totals. The latest data available, which are also provisional, place net receipts from small savings at about Rs. 77.86 crores (including accrued interest) for 1962-63.

## (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

## EXISTING SERIES

OLD SERIES (DISCHARGES) OUTSTANDINGS AS AT THE END OF THE PERIOD												Total (J)		
15-Year Annuity Certificates (c)	Cumulative Time Deposits (d)	12-Year National Defence Savings Certi- ficates (e)	4½% Ten-Year Defence Deposit Certificates (e)	Natio- nal Savings Certificates (f)	10-Year National Plan Certificates (g)	Post Office Cash Savings Certificates (h)	3½% Ten Year Treasury Deposit Certificates (i)	Net receipts stand- ings	Out- standing receipts	Net out- stand- ings	Net out- stand- ings	Net out- stand- ings		
11	12	13	14	15	16	17	18	19	20	21	22	23	24	
41	95							57.90	—22.32	5.31	39.33	125.98	1	
37	1.32							153.61	16.38	—37.68	41.25	69.27	383.15	2
55	1.87							172.69	25.38	—38.82	44.28	62.76	445.90	3
54	2.41	5	5					150.44	23.13	—39.74	43.58	70.24	516.14	4
50	2.91	76	81					124.64	21.03	—40.67	42.57	79.42	595.56	5
49	3.38	1.82	2.63					103.85	19.79	—41.35	41.68	85.03	680.59	6
23	3.63	3.24	5.87					85.10	18.84	—41.99	38.80	105.41	786.00	7
20	3.83	5.33	11.20	53.36	53.36	8.56	8.56	68.27	17.91	—42.43	27.50	86.39	872.39	8
								50.45	16.23	—42.63	20.38	67.40	939.79	9
2	3.40	21	2.84					83.68	18.74	—42.05	37.46	69	786.69	10
2	3.42	23	3.07					82.50	18.66	—42.08	36.49	1.99	788.68	11
1	3.43	26	3.33					80.96	18.58	—42.13	35.45	4.17	792.85	12
3	3.46	24	3.57					79.55	18.50	—42.16	34.15	9.08	801.93	13
3	3.48	24	3.81					77.49	18.44	—42.19	33.19	7.42	809.35	14
3	3.51	26	4.07					76.11	18.36	—42.23	32.12	6.11	815.46	15
2	3.53	26	4.33					75.34	18.26	—42.27	31.28	5.17	820.63	16
2	3.55	30	4.63					73.92	18.20	—42.33	30.24	4.32	824.95	17
2	3.57	27	4.90					72.55	18.12	—42.34	29.54	5.02	829.97	18
2	3.58	32	5.22					71.15	18.04	—42.38	28.78	6.29	836.26	19
3	3.61	30	5.52					70.03	17.98	—42.41	28.14	5.13	841.39	20
2	3.63	35	5.87					68.27	17.91	—42.43	27.50	31.00	872.39	21
3	3.66	27	6.14					66.92	17.38	—42.47	26.78	— 87	871.52	22
3	3.69	36	6.50					65.68	17.28	—42.51	26.11	—1.69	869.83	23
3	3.69	36	6.86					64.23	17.20	—42.53	25.53	2.26	872.09	24
2	3.71	40	7.26					62.64	17.13	—42.55	24.89	8.03	880.12	25
2	3.73	39	7.63					61.23	17.07	—42.56	24.21	7.17	887.29	26
1	3.74	39	8.04					59.95	16.98	—42.57	23.71	7.15	894.44	27
3	3.77	43	8.47					58.43	16.86	—42.58	23.13	5.82	900.26	28
3	3.78	46	8.93	6.47	6.47	69	69	56.74	16.77	—42.58	22.63	—3.17	897.09	29
1	3.79	51	9.44	10.76	17.23	1.73	2.42	55.23	16.69	—42.59	21.97	6.24	903.33	30
1	3.80	54	9.98	10.54	27.77	2.33	4.75	53.48	16.47	—42.59	21.40	6.78	910.11	31
1	3.80	53	10.51	9.43	37.20	1.68	6.43	52.04	16.35	—42.61	20.89	6.28	916.39	32
3	3.83	69	11.20	16.16	53.36	2.13	8.56	50.45	16.23	—42.63	20.38	23.40	939.79	33

(a) Including Dead Savings Bank Account. Receipts and outstandings include interest credited to depositors' account from time to time. (b) Issued from June 1, 1957. (c) Relates to first series issued from July 1954 to December 1957 and to second series issued from January 1958. Outstandings include both the series. (d) Includes Five-Year, Ten-Year and Fifteen-Year Cumulative Time Deposits, the first two commenced from January 2, 1959 and the last from June 1962. (e) Issued from November 10, 1962. (f) Includes Twelve-year, Seven-year and Five-year National Savings Certificates, the last being discontinued with effect from July 1, 1953 and others from June 1, 1957. (g) Issued from May 10, 1954 to May 30, 1957. (h) Represents progressive net repayments at the end of period since August 15, 1947. Includes Defence Savings Bank Deposits for 1950-51. (i) No sales from June 1, 1957. (j) Repayments and outstandings in respect of items in column 21 are not included.

**STATEMENT 62—MARKET BORROWINGS OF THE GOVERNMENT OF INDIA  
AND STATE GOVERNMENTS, 1962-63**

Description of loan	Amount of issue (Rs. crores)	Period of maturity (No. of years)	Issue price (Rs.)	Redemp- tion yield at issue (Rs. crores)	Subscriptions accepted (Rs. crores)		Total	Repay- ment in borrowing of cash of maturing loans (Rs. crores)	Net amount in borrowing (Rs. crores) (7-11)
					Cash	Conversion of loan			
Central Government	150.00	1956-57	157.73	77.21	80.52	157.73	1-	+ 77.21	
Sate Governments	64.00		74.23	66.53	2.18	68.71	3.00	+ 63.53	
Total	214.00		231.96	143.74	82.70	226.44	3.00	+ 140.74	
Central Government	120.00	1957-58	136.17	91.09	45.08	136.17	25.16	+ 65.93	
Sate Governments	139.00		125.52	8.58	1.33	7.77	3.77	+ 4.81	
Total	259.00		148.69	99.67	46.41	146.08	28.93	+ 70.74	
Central Government	195.00	1958-59	201.87	192.45	9.36	201.81	11.59	+ 180.86	
Sate Governments	20.00		65.84	49.18	5.24	54.42	3.19	+ 45.99	
Total	235.00		267.71	241.63	14.60	256.23	14.73	+ 226.85	
Central Government	220.00	1959-60	228.97	139.46	89.51	228.97	32.75	+ 106.71	
Sate Governments	63.50		102.38	68.88	0.57	69.45	0.85	+ 68.30	
Total	283.50		331.35	208.34	90.08	298.42	33.60	+ 174.74	
Central Government	175.00	1960-61	180.70	106.97	74.63	180.70	38.79	+ 67.28	
Sate Governments	75.00		85.47	73.28	6.44	79.71	6.56	+ 66.72	
Total	250.00		266.17	179.35	81.07	260.41	45.35	+ 134.00	
Central Government	193.59	1961-62	202.50	105.19	97.31	202.50	42.56	+ 62.63	
Sate Governments	80.00		92.17	82.04	5.01	87.06	7.87	+ 74.17	
Total	273.59		294.68	187.23	102.33	239.56	50.44	+ 136.79	
Central Government	31% N. P. B. Fifth series, 1963		21% Loan, 1962	23.63	21% Bonds, 1962	68.62	92.25		
4% Loan, 1972		3.91	226.87	25.42	—do—	55.17	80.59		
4½% Loan, 1935		4.10	4.50	54.16	—do—	29.87	84.03		
Total of Central Government	.. 250.00		256.87	103.21			153.66	256.87	30.29 + 72.92

## State Governments

4½% Andhra Pradesh State Development Loan, 1974 ..	10·00	12	99·50	4·56	13·25	10·96	—	10·96	— + 10·96
4½% Assam Loan, 1974 ..	3·00	12	99·50	4·56	3·02	3·02	—	3·02	— + 3·02
4½% Bihar State Development Loan, 1974 ..	4·00	12	99·50	4·56	4·36	4·36	—	4·36	— + 4·36
4½% Gujarat State Development Loan, 1974 ..	6·00	12	100·00	4·50	7·11	6·55	—	6·55	— + 6·55
4½% Kerala State Development Loan, 1974 ..	4·00	12	99·50	4·56	4·15	4·15	—	4·15	— + 4·15
4½% Madhya Pradesh State Development Loan, 1974 ..	5·00	12	99·50	4·56	5·06	4·89	3½% Madhya Pradesh Loan, 1962	0·17	5·06 0·85 + 4·04
4½% Madras Loan, 1974 ..	12·00	12	99·75	4·53	13·40	11·89	3½% Madras Loan, 1962	1·24	13·14 1·77 + 10·12
 4½% Maharashtra State Development Loan, 1974 ..									
4½% Mysore State Development Loan, 1974 ..	12·50	12	100·00	4·50	15·07	11·56	3½% Bombay Provincial Development Loan, 1962	2·09	13·65 5·91 + 5·65
4½% Odisha Government Loan, 1974 ..	6·00	12	99·75	4·53	7·94	6·59	—	6·59	— + 6·59
4½% Punjab Loan, 1974 ..	7·00	12	99·50	4·56	8·15	7·69	—	7·69	— + 7·69
4½% Rajasthan State Development Loan, 1974 ..	3·50	12	99·50	4·56	3·65	3·65	—	3·65	— + 3·65
4½% Uttar Pradesh State Development Loan, 1974 ..	9·00	12	99·50	4·56	5·02	4·92	3½% Uttar Pradesh Loan, 1962	—	4·92 — + 4·92
4½% West Bengal Loan, 1974 ..	7·00	12	99·75	4·53	11·82	9·40	3½% West Bengal Loan, 1962	0·50	9·90 1·38 + 8·02
Total of State Governments ..	93·50				109·03	95·93	—	4·73	100·67 10·93 + 85·00
Total of Central and State Governments ..	343·50				365·90	199·14	158·39	357·54	41·22 + 157·92

Note: The Statement excludes (i) further issues of the value of Rs. 50 crores created in December 1962 against conversion of Treasury bills held by the Reserve Bank of India in their Issue Department, (ii) the outstanding balance of Rs. 3·38 crores as on March 31, 1963 of 6½% Gold Bonds, 1977 issued from November 12, 1962 to February 28, 1963, (iii) the outstanding balance of Rs. 2·07 crores as on March 31, 1963 of 4½% National Defence Bonds, 1972 issued from November 10, 1962 and (iv) issues and repayments of 34½% U.P. Encumbered Estates Act Bonds, 2½% Zamindari Abolition Compensation Bonds, U.P., Zamindari Abolition Rehabilitation Grant Bonds, 2½% Rajasthan Zamindari and Biswastari Abolition Compensation Bonds, 2½% Rajasthani Jajir Resumption Compensation and Rehabilitation Bonds, 3½% Bombay Land Tenure Abolition Compensation Bonds (Maharashtra, Gujarat and Mysore), 2½% Mysore Estates Abolition Compensation Bonds and 2½% Bihar Zamindari Abolition Compensation Bonds and only repayments of 3%. Bombay Land Tenure Abolition Act Compensation Bonds (former State of Bombay); total issues and repayments of these during 1962-63 amounted, respectively, to Rs. 9·35 crores and Rs. 7·75 crores.

**STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS  
(OUTSTANDINGS AS ON MARCH 31, 1963)**

(Thousands of Rupees)

								Amount outstanding
<b>Central Government Loans</b>								
3½%	Bonds, 1963	..	..	..	..	..	..	58,05,92
3½%	Loan, 1963-65	..	..	..	..	..	..	1,16,17,46
3½%	National Plan Loan, 1964	..	..	..	..	..	..	1,58,17,94
3%	Loan, 1964	..	..	..	..	..	..	30,33,10
3½%	National Plan Bonds (Second series), 1965	..	..	..	..	..	..	1,53,67,92
3½%	Bonds, 1966	..	..	..	..	..	..	82,65,41
3%	Funding Loan, 1966-68	..	..	..	..	..	..	1,10,11,78
3½%	National Plan Bonds (Third series), 1967	..	..	..	..	..	..	1,97,40,92
3½%	National Plan Bonds (Fourth series), 1967	..	..	..	..	..	..	56,99,30
3½%	National Plan Bonds (Fifth series), 1968	..	..	..	..	..	..	1,56,64,22
3½%	Loan, 1968	..	..	..	..	..	..	70,00,00
3½%	Bonds, 1969	..	..	..	..	..	..	1,90,85,42
3½%	First Development Loan, 1970-75	..	..	..	..	..	..	1,15,05,82
4%	Loan, 1972	..	..	..	..	..	..	1,54,70,22
4%	Loan, 1973	..	..	..	..	..	..	94,51,44
4%	Loan, 1973 ( <i>Ad hoc Issue</i> )	..	..	..	..	..	..	3,00,00,00
3½%	Loan, 1974	..	..	..	..	..	..	86,63,53
2½%	Loan, 1976	..	..	..	..	..	..	14,77,48
2½%	Loan, 1979	..	..	..	..	..	..	81,06,39
4%	Loan, 1980	..	..	..	..	..	..	98,05,17
4%	Loan, 1981	..	..	..	..	..	..	65,96,55
4½%	Loan, 1985	..	..	..	..	..	..	1,14,03,37
3%	Bhopal Loan, 1966-76	..	..	..	..	..	..	1,21,73
2½%	Hyderabad Loan, 1953-63	..	..	..	..	..	..	5,38,42
4%	Hyderabad Development Loan, 1963	..	..	..	..	..	..	3,34,71
1½%	Hyderabad Loan, 1964	..	..	..	..	..	..	3,85,71
4%	Hyderabad Development Loan, 1967	..	..	..	..	..	..	2,12,46
4%	Hyderabad Development Loan, 1968	..	..	..	..	..	..	2,18,02
2½%	Hyderabad Loan, 1974	..	..	..	..	..	..	4,40,00
2½%	Hyderabad Loan, 1975	..	..	..	..	..	..	6,85,71
3½%	Conversion Loan, 1986 or later	..	..	..	..	..	..	2,48,91,03
3%	Non-terminable Loan, 1896-97	..	..	..	..	..	..	8,93,33
4½%	National Defence Bonds, 1972	..	..	..	..	..	..	22,06,80
6½%	Gold Bonds, 1977	..	..	..	..	..	..	3,37,84
6½%	5 year Interest-Free Prize Bonds	..	..	..	..	..	..	20,22,36
	Premium Prize Bonds, 1963	..	..	..	..	..	..	2,16,12
								28,40,93,61
<i>Loans not bearing interest</i>								
Central Government Loans								6,39,37
Hyderabad Loans								68,74
								TOTAL .. 28,48,01,72
<b>State Government Loans</b>								
<b>ANDHRA PRADESH</b>								
4%	Andhra State Development Loan, 1967	..	..	..	..	..	..	5,00,16
4%	Andhra State Development Loan, 1968	..	..	..	..	..	..	6,56,15
4%	Andhra State Development Loan, 1969	..	..	..	..	..	..	9,85,51
4½%	Andhra State Development Loan, 1970	..	..	..	..	..	..	5,48,92
4%	Andhra State Development Loan, 1971	..	..	..	..	..	..	6,57,75
4½%	Andhra State Development Loan, 1972	..	..	..	..	..	..	11,01,81
4½%	Andhra State Development Loan, 1974	..	..	..	..	..	..	10,99,10
								TOTAL .. 55,49,40

*Note:* (1) The liability for Hyderabad State Loans was taken over by the Central Government on October 31, 1956 under Section 82(1) of the States Reorganization Act. The outstanding balances of Hyderabad Loan in O.S. currency have been converted into India Government currency at the rate of 1. G. Rs. 6—O.S. Rs. 7. (2) The data regarding State Government loans are incomplete in respect of loans issued prior to the financial arrangement with the Reserve Bank of India.

**STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (Contd.)**  
**(OUTSTANDINGS AS ON MARCH 31, 1963)**

(Thousands of Rupees)

State Government Loans—(Contd.)				Amount outstanding
<b>ASSAM</b>				
4 % Assam Loan, 1971				2,76,40
4½ % Assam Loan, 1974				3,01,83
		<b>TOTAL</b>		<b>5,78,23</b>
<b>BIHAR</b>				
2½ % Bihar Z.A.C Bonds				11,49,53
4 % Bihar State Development Loan, 1963		..	..	1,31,29
4 % Bihar State Development Loan, 1967		..	..	1,54,02
4 % Bihar State Development Loan, 1968		..	..	2,13,41
4 % Bihar State Development Loan, 1969		..	..	3,22,43
4½ % Bihar State Development Loan, 1970		..	..	2,76,71
4 % Bihar State Development Loan, 1971		..	..	3,33,22
4½ % Bihar State Development Loan, 1972		..	..	3,28,40
4½ % Bihar State Development Loan, 1974		..	..	4,31,75
		<b>TOTAL</b>		<b>33,40,76</b>
<b>GUJARAT</b>				
4 % Gujarat State Development Loan, 1969				5,32,74
4½ % Gujarat State Development Loan, 1972		..	..	5,97,47
4½ % Gujarat State Development Loan, 1974		..	..	6,54,73
3 % Bombay Land Tenure Abolition Acts Compensation Bonds		..	..	99,26
		<b>TOTAL</b>		<b>18,84,20</b>
<b>KERALA</b>				
4 % Travancore-Cochin State Development Loan, 1963		..	..	3,25,61
4 % Travancore-Cochin State Development Loan, 1968		..	..	2,22,08
4 % Kerala State Development Loan, 1969		..	..	4,09,41
4½ % Kerala State Development Loan, 1970		..	..	3,27,43
4 % Kerala State Development Loan, 1971		..	..	4,47,08
4½ % Kerala State Development Loan, 1972		..	..	4,10,08
4½ % Kerala State Development Loan, 1974		..	..	4,21,15
				<b>25,62,84</b>
<i>Loans not bearing interest</i>				4,02
		<b>TOTAL</b>		<b>25,66,86</b>
<b>MADHYA PRADESH</b>				
4 % Madhya Bharat State Development Loan, 1963		..	..	1,04,77
4 % Madhya Pradesh Loan, 1963	..	..	..	1,10,18
3 % Madhya Pradesh State Development Loan, 1964		..	..	2,03,29
4 % Madhya Pradesh State Development Loan, 1967		..	..	1,63,12
4 % Madhya Pradesh State Development Loan, 1968		..	..	1,58,42
4 % Madhya Bharat State Development Loan, 1968		..	..	1,11,26
4 % Madhya Pradesh State Development Loan, 1969		..	..	5,16,80
4½ % Madhya Pradesh State Development Loan, 1970		..	..	2,21,35
4 % Madhya Pradesh State Development Loan, 1971		..	..	5,28,25
4½ % Madhya Pradesh State Development Loan, 1972		..	..	5,04,45
4½ % Madhya Pradesh State Development Loan, 1974		..	..	5,06,29
				<b>31,28,18</b>
<i>Loans not bearing interest</i>	..	..	..	1,15
		<b>TOTAL</b>		<b>31,29,33</b>

**STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (Contd.)**  
**(OUTSTANDINGS AS ON MARCH 31, 1963)**  
 (Thousands of Rupees)

							Amount outstanding
<b>State Government Loans—(Contd.)</b>							
<b>MADRAS</b>							
4%	Madras Loan, 1963	..	..	..	..	..	10,33,71
4%	Madras Loan, 1964	..	..	..	..	..	5,24,81
4%	Madras Loan, 1967	..	..	..	..	..	10,47,17
4%	Madras Loan, 1968	..	..	..	..	..	13,83,56
4%	Madras Loan, 1969	..	..	..	..	..	12,20,72
4%	Madras Loan, 1970	..	..	..	..	..	5,55,57
4%	Madras Loan, 1971	..	..	..	..	..	8,72,75
4%	Madras State Development Loan, 1972	..	..	..	..	..	10,44,00
4%	Madras Loan, 1974	..	..	..	..	..	13,24,99
							<u>99,07,29</u>
<i>Loans not bearing interest</i>							14,05
							<u>14,05</u>
						<b>TOTAL</b>	<b>99,21,34</b>
<b>MAHARASHTRA</b>							
4%	Bombay State Development Loan, 1963	..	..	..	..	..	5,07,55
4%	Bombay State Development Loan, 1964	..	..	..	..	..	3,34,83
4%	Bombay State Development Loan, 1967	..	..	..	..	..	9,41,35
4%	Maharashtra State Development Loan, 1969	..	..	..	..	..	10,98,87
4%	Bombay State Development Loan, 1969	..	..	..	..	..	6,47,37
4%	Bombay State Development Loan, 1970	..	..	..	..	..	6,45,62
4%	Bombay State Development Loan, 1970	..	..	..	..	..	7,70,11
4%	Bombay State Development Loan, 1971	..	..	..	..	..	4,31,45
4%	Bombay State Development Loan, 1971	..	..	..	..	..	6,58,14
4%	Maharashtra State Development Loan, 1972	..	..	..	..	..	10,77,36
4%	Maharashtra State Development Loan, 1974	..	..	..	..	..	13,64,97
4%	Saurashtra State Development Loan, 1963	..	..	..	..	..	1,11,05
4%	Saurashtra State Development Loan, 1964	..	..	..	..	..	2,50,94
4%	Saurashtra State Development Loan, 1967	..	..	..	..	..	3,45,39
4%	Saurashtra State Development Loan, 1968	..	..	..	..	..	2,62,56
3%	Porbandar Water Project Loan, 1950-75	..	..	..	..	..	35,00
3%	Bombay Land Tenure Abolition Acts Compensation Bonds	..	..	..	..	..	1,17,85
3%	Bombay Land Tenure Abolition Acts Compensation Bonds (Maharashtra)	..	..	..	..	..	21,41
							<u>96,19,89</u>
<i>Loans not bearing interest</i>							39,37
							<u>39,37</u>
						<b>TOTAL</b>	<b>96,59,17</b>
<b>MYSORE</b>							
4%	Mysore Loan, 1953-63	..	..	..	..	..	2,95,85
4%	Mysore State Development Loan, 1963	..	..	..	..	..	3,33,47
4%	Mysore State Development Loan, 1967	..	..	..	..	..	3,54,94
4%	Mysore State Development Loan, 1968	..	..	..	..	..	4,11,11
4%	Mysore State Development Loan, 1969	..	..	..	..	..	4,37,73
4%	Mysore State Development Loan, 1969	..	..	..	..	..	3,34,36
4%	Mysore State Development Loan, 1970	..	..	..	..	..	5,51,62
4%	Mysore State Development Loan, 1971	..	..	..	..	..	5,43,46
4%	Mysore State Development Loan, 1972	..	..	..	..	..	7,54,19
4%	Mysore State Development Loan, 1974	..	..	..	..	..	6,59,08
3%	Bombay Land Tenure Abolition Acts Compensation Bonds	..	..	..	..	..	9,07
2%	Mysore I.A.C. Bonds	..	..	..	..	..	17,97
							<u>47,02,86</u>
<i>Loans not bearing interest</i>							6,84
							<u>6,84</u>
						<b>TOTAL</b>	<b>47,09,70</b>

**STATEMENT 63—CENTRAL AND STATE GOVERNMENT  
LOANS (Concl.)  
(OUTSTANDINGS AS ON MARCH 31, 1963)**

(Thousands of Rupees)

State Government Loans—(Concl.)						Amount outstanding
<b>ORISSA</b>						
4%	Orissa Government Loan, 1968	.	.	.	.	3,09,34
4%	Orissa Government Loan, 1969	.	.	.	.	4,40,63
4%	Orissa Government Loan, 1970	.	.	.	.	3,28,60
4%	Orissa Government Loan, 1971	.	.	.	.	3,82,58
4%	Orissa State Development Loan, 1972	.	.	.	.	3,83,74
4%	Orissa Government Loan, 1974	.	.	.	.	7,66,10
<b>TOTAL</b>						<b>28,15,99</b>
<b>PUNJAB</b>						
4%	Punjab Government Loan, 1968	.	.	.	.	2,03,86
4%	Punjab Government Loan, 1971	.	.	.	.	2,18,87
4%	Punjab State Development Loan, 1972	.	.	.	.	3,13,03
4%	Punjab Loan, 1974	.	.	.	.	3,64,88
<b>TOTAL</b>						<b>11,00,65</b>
<b>RAJASTHAN</b>						
4%	Rajasthan State Development Loan, 1968	.	.	.	.	3,14,19
4%	Rajasthan State Development Loan, 1969	.	.	.	.	5,09,25
4%	Rajasthan State Government Loan, 1970	.	.	.	.	2,77,88
4%	Rajasthan State Development Loan, 1971	.	.	.	.	3,84,39
4%	Rajasthan State Development Loan, 1972	.	.	.	.	4,49,14
4%	Rajasthan State Development Loan, 1974	.	.	.	.	4,94,43
2%	Rajasthan Zamindari and Bisweden Abolition Compensation Bonds	.	.	.	.	6,77
2%	Rajasthan Jagir Resumption Compensation and Rehabilitation Bonds	.	.	.	.	17,02,07
<b>TOTAL</b>						<b>41,37,92</b>
<b>UTTAR PRADESH</b>						
3%	Uttar Pradesh Loan, 1961-66	.	.	.	.	1,54,30
4%	Uttar Pradesh State Development Loan, 1963	.	.	.	.	5,38,11
4%	Uttar Pradesh Loan, 1964	.	.	.	.	5,82,17
4%	Uttar Pradesh State Development Loan, 1967	.	.	.	.	8,94,65
4%	Uttar Pradesh State Development Loan, 1968	.	.	.	.	8,19,58
4%	Uttar Pradesh State Development Loan, 1969	.	.	.	.	7,79,21
4%	Uttar Pradesh State Development Loan, 1970	.	.	.	.	7,65,59
4%	Uttar Pradesh State Development Loan, 1971	.	.	.	.	8,70,81
4%	Uttar Pradesh State Development Loan, 1972	.	.	.	.	6,53,99
4%	Uttar Pradesh State Development Loan, 1974	.	.	.	.	9,84,05
3%	U.P.E.E. Act Bonds	.	.	.	.	1,17,86
2%	U.P.Z.A. Compensation Bonds	.	.	.	.	42,60,19
2%	U.P.Z.A.C.R.G. Bonds	.	.	.	.	40,17,76
<i>Loans not bearing interest</i>						<b>1,54,58,28</b>
						<b>6,01</b>
<b>TOTAL</b>						<b>1,54,64,29</b>
<b>WEST BENGAL</b>						
4%	West Bengal Government Loan, 1963	.	.	.	.	3,60,23
4%	West Bengal Government Loan, 1964	.	.	.	.	2,00,00
4%	West Bengal Government Loan, 1967	.	.	.	.	7,58,72
4%	West Bengal Government Loan, 1968	.	.	.	.	7,11,40
4%	West Bengal Government Loan, 1969	.	.	.	.	7,05,32
4%	West Bengal Government Loan, 1970	.	.	.	.	5,10,50
4%	West Bengal Government Loan, 1971	.	.	.	.	7,69,69
4%	West Bengal State Development Loan, 1972	.	.	.	.	7,30,71
4%	West Bengal Loan, 1974	.	.	.	.	7,03,29
<i>Loans not bearing interest</i>						<b>54,49,93</b>
						<b>5,04</b>
<b>TOTAL</b>						<b>54,54,96</b>
<b>TOTAL OF ALL STATES</b>						
<i>Loans bearing interest</i>						<b>6,93,38,33</b>
<i>Loans not bearing interest</i>						<b>76,48</b>
<b>TOTAL</b>						<b>6,94,14,81</b>

**STATEMENT 64—GOVERNMENT BALANCES IN INDIA WITH THE RESERVE BANK OF INDIA  
AND AT GOVERNMENT TREASURIES**

(Lakhs of Rupees)

	Reserve Bank of India		End of	Government Treasuries					
	Central Government			State Governments		Central Government		State Governments	
	1961-62	1962-63		1961-62	1962-63	1961-62	1962-63	1961-62	
57.47	44.18	-21.58	-44.60	..	..	April	..	23	
61.12	32.86	-8.35	-66.85	..	..	May	..	35	
60.26	52.75	17.05	23.36	..	..	June	..	27	
78.55	71.25	16.65	19.67	..	..	July	..	31	
87.63	94.64	-5.07	56.06	..	..	August	..	63	
79.12	71.38	-14.90	-1.35	..	..	September	..	61	
71.72	38.64	-7.28	41	..	..	October	..	81	
48.00	54.56	-16.69	4.06	..	..	November	..	82	
51.49	52.23	5.95	-10.34	..	..	December	..	-1,45	
71.41	81.44	-4.32	14.00	..	..	January	..	-67	
66.53	113.54	-16.14	14.37	..	..	February	..	-81	
52.07	..	-33.93	-2.61	..	..	March	..	-3.57	
							..	..	
							5.61	5.871	

† Provisional.

## STATEMENT 65—INDIA'S FOREIGN EXCHANGE RESERVES

(Lakhs of Rupees)

End of			Assets (a)	Movement (Increase + Decrease -)
1950-51	..	..	951.41	+ 28.55
1955-56	..	..	824.61	+ 10.47
1956-57(b)	..	..	681.10	- 143.51
1957-58(b)	..	..	421.22	- 259.88
1958-59	..	..	378.92	- 42.30
1959-60	..	..	362.86	- 16.06
1960-61	..	..	303.61	- 59.25
1961-62(b)	..	..	297.31	- 6.30
1962-63(b)	..	..	295.10	- 2.21
April	1961	..	288.99	- 14.62
May	"	..	295.69	+ 6.70
June	"	..	281.83	- 13.86
July	"	..	260.03	- 21.80
August	"	..	302.19	+ 42.16
September	"	..	292.50	- 9.69
October	"	..	302.87	+ 10.37
November	"	..	311.02	+ 8.15
December	"	..	316.74	+ 5.72
January	1962	..	304.02	- 12.72
February	"	..	302.35	- 1.67
March	"	..	297.31	- 5.04
April	"	..	274.20	- 23.11
May	"	..	250.37	- 23.83
June	"	..	241.24	- 9.13
July	"	..	243.36	+ 2.12
August	"	..	240.44	- 2.92
September	"	..	245.78	+ 5.34
October	"	..	245.88	+ 10
November	"	..	239.71	- 6.17
December	"	..	243.60	+ 3.89
January	1963	..	254.27	+ 10.67
February	"	..	278.50	+ 24.23
March	"	..	295.10	+ 16.60

(a) Include (i) 7.1 million ounces of gold held by the Reserve Bank of India, valued till October 5, 1956, at Rs. 21.24 per tola and at Rs. 62.50 per tola thereafter as provided under Section 33 of the Reserve Bank of India (Amendment) Act, 1956, (ii) foreign assets of the Reserve Bank of India and (iii) Government balances held abroad. (b) Include net borrowing from the I.M.F. of \$115 million (Rs. 54.7 crores) during 1956-57, the stand-by credit of \$72.5 million (Rs. 34.5 crores) during 1957-58, net borrowing from the I.M.F. of \$122.5 million (Rs. 58.3 crores) during 1961-62 and borrowing of \$ 25 million (Rs. 11.9 crores) from the I.M.F. against the stand-by credit of \$ 100 million in 1962-63.

## STATEMENT 66—INDIA'S OVERALL BALANCE OF PAYMENTS, APRIL-DECEMBER 1962 (PRELIMINARY)

## A. CURRENT ACCOUNT

Item	April-June 1962			July-September 1962			October-December 1962			April-December 1962		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net
1. Merchandise (a)												
(i) Private	..	152.9	155.6 — 2.7	160.0	166.9 — 6.9	188.4	156.8 + 31.6	501.3	479.3 + 22.0			
(ii) Government	..	1.7	112.4 — 110.7	0.9	101.9 — 101.0	0.3	121.2 — 120.9	2.9	335.5 — 332.6			
2. Non-monetary gold movement	..	1.3	4.7 — 3.4	1.1	3.1 — 2.0	0.4	2.0 — 1.6	2.8	9.8 — 7.0			
3. Travel (b)	..	11.0	6.3 + 4.7	11.1	6.8 + 4.3	13.5	5.8 + 7.7	35.6	18.9 + 16.7			
4. Transpiration (c)	..	1.6	1.1 + 0.5	1.7	0.9 + 0.8	1.7	1.3 + 0.4	5.0	3.3 + 1.7			
5. Insurance (d)	..	3.7	19.2 — 15.5	1.7	24.2 — 22.5	3.1	24.1 — 21.0	8.5	67.5 — 59.0			
6. Investment Income (e)	..	8.3	3.1 + 5.2	18.0	3.5 + 14.5	11.9	12.2* — 0.3	38.2	18.8* + 19.4			
7. Government, net included elsewhere (f)	..	7.1	7.6 — 0.5	8.5	6.9 + 1.6	9.2	7.8 + 1.4	24.8	22.3 + 2.5			
8. Miscellaneous (g)	..	10.2	— + 10.2	23.4	— + 23.4	20.6	— + 20.6	34.2	— + 34.2			
9. Donations	..	9.5	4.3 + 5.0	8.9	3.1 + 5.8	9.6	3.3 + 6.3	23.0	10.9 + 17.1			
10. Total Current Transactions and Omissions	..	207.3	314.5 — 107.2	235.3	317.3 — 82.0	258.7	134.5 — 75.8	701.3	966.3 — 265.0			
			— 5.7		+ 0.9		-15.1		-22.3			

(a) Exports *less b.* Imports *less c,f.* Data include exports from and imports into Gea. (b) Data for receipts are incomplete, (c) Receipts cover estimated amounts for reimbursements of freight and insurance paid in advance by exporters and disbursements of foreign ships in Indian ports, etc., and payments include operating expenses abroad of Indian steamship companies and some freight and insurance payments. It may be noted that these items are more or less complete on the receipts side but in regard to payments, only a portion of the expenditure is entered here. Payments for imports are recorded on a *c.i.f.* basis and, therefore, include all but a portion of expenditure on account of "Transportation" and "Insurance". (d) Receipts include interest on investments of the Reserve Bank of India and payments cover remittances of profits, interest and dividends accruing to foreigners including interest and commitment charges on borrowings from the I.M.F. (e) The receipts include diplomatic expenditures in India from the three proceeds of sales of U.S. Embassy endowments in India from the surplus Government disbursements abroad, for example, for the upkeep of its organisations abroad and contributions to international agencies. (f) Covers receipts and payments mainly for services, for example, for film rentals and technicians and agency services. (g) Represents contra-entities for imports financed by aid received under the Colombo Plan, Indo-American Technical Co-operation Agreement, P.L. 480 programme and cash receipts from I.T.D. (funding etc.) (h) Comprises unilateral transfers like migrants' transfers and personal and institutional remittances like family maintenance allowances, up-keep of religious missions, etc.

\* Includes Rs. 8.3 crores paid to the IIRR as our contribution to the Indus Basin Development Fund under the terms of the Indus Water Treaty signed on September 19, 1960.

**STATEMENT 66—INDIA'S OVERALL BALANCE OF PAYMENTS, APRIL-DECEMBER 1962 (PRELIMINARY)—(Concl'd.)**

**B. CAPITAL ACCOUNT**

Item	April-June 1962						July-September 1962						October-December 1962						(Crores of Rupees)		
	Net credit (+), Net debit (-)			Credits Debits Net			Credits Debits Net			Credits Debits Net			Credits Debits Net			Credits Debits Net			April-December 1962		
																			Credits	Debits	Net
I. Private (a)																					
1. Long-term	..	1.9	7.3	-	5.4	5.9	7.8	-	1.9	4.5	2.9	+	1.6	12.3	18.0	-	5.7				
2. Short-term	..	2.5	3.8	-	1.3	4.4	2.2	+	2.2	1.3	0.6	+	0.7	8.2	6.6	+	1.6				
II. Banking (b)	..	2.2	8.2	-	6.0	4.8	6.4	-	1.6	13.6	7.5	+	6.1	20.6	22.1	-	1.5				
III. Official (c)																					
1. Loans (d)	..	62.3	-	+ 62.3	121.9	-	+ 121.9	95.1	-	+ 95.1	279.3	-	+ 279.3	—	+ 279.3						
2. Amortisation (e)	..	0.8	12.5	-	11.7	-	-	10.7	-	10.7	10.7	-	9.5	2.0	33.9	-	31.9				
3. Miscellaneous (f)	..	23.3	5.0	+ 18.3	10.0	34.3	-	24.3	14.1	16.4	-	2.3	47.4	55.7	-	8.3					
4. Reserves (g)	..	56.1	-	+ 56.1	7.1	11.6	-	4.5	2.5	0.3	+ 2.2	65.7	11.9	+ 53.8							
IV. Total Capital and Monetary Gold	..	149.1	36.8	+ 112.3	151.1	73.0	+ 81.1	132.3	38.4	+ 93.9	435.5	149.2	+ 237.3								

(a) Non-banking. (b) Excluding R.B.I. (c) Including R.B.I. (d) Credits represent utilization of various foreign loans and credits obtained by the country viz., loans from I.R.D., I.D.A., U.K., E.C.G.D., U.S. Eximbank, A.I.D., U.S. loans under P.L. 430, U.S.S.R. credits, West German credits, and Japanese Yen credits etc., and drawings from the I.M.F. (e) Debts relate to repayments of loans from the L.B.R.D., A.I.D., Canadian Wheat loan, U.S. banks' loan to A.I.I.M., Rourkela credits, Bilateral credits, etc. Credits represent repayments by Burma of 1957 loan and instalments of Burma's share of divisible central pensions in terms of India-Burma Debt Settlement Agreement, 1955. (f) Includes changes in the P.L. 430 and P.L. 665 balances and R.B.I.'s rupee liabilities to non-resident official and semi-official institutions. The debit side includes payment of subscription to the I.D.A. (g) Covers changes in the foreign exchange assets of the R.B.I. and the Government and the gold holdings of the former.

## STATEMENT 67—INDIA'S BALANCE OF PAYMENTS

## Current Account : Region-wise Summary

(Crores of Rupees)

	1950-51	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62 (Revised)	1962 (Preliminary) Apr.-Dec.
All Areas									
Imports, c.i.f.	..	650.3	773.1	1102.1	1233.2	1029.3	932.3	1105.7	1001.6
Exports, f.o.b.	..	646.8	640.3	635.2	668.6(e)	576.3	627.4	630.5	667.7
Trade balance	..	— 3.5	— 132.8	— 466.9	— 564.6	— 453.0	— 304.9	— 475.2	— 333.9
Official donations	..	+ 2.1	+ 51.9	+ 37.0	+ 32.9	+ 35.6	+ 38.0	+ 45.2(e)	+ 45.7
Other invisibles (ret)	..	+ 40.3	+ 87.6	+ 117.1	+ 100.3	+ 90.4	+ 81.3(d)	+ 37.6(f)	+ 14.9(f)
Current Account (net)	..	+ 38.9	+ 6.7	— 312.8	— 431.4	— 327.0	— 185.6	— 392.4	— 333.1
Sterling Area									
Imports, c.i.f.	..	330.2	361.6	466.8	450.8	374.9	383.4	349.7	284.6
Exports, f.o.b.	..	351.4	331.0	332.6	298.0	301.2	299.0	300.9	292.5
Trade balance	..	+ 21.2	— 30.6	— 134.2	— 152.8	— 73.7	— 84.4	— 48.8	+ 7.9
Official donations	..	—	— 0.1	+ 2.1	+ 5.4	+ 1.9	+ 0.5	+ 1.6	+ 1.1
Other invisibles (net)	..	+ 51.8	+ 73.7	+ 93.4	+ 73.2	+ 58.2	+ 42.7	+ 22.5	+ 8.3
Current Account (net)	..	+ 73.0	+ 43.2	— 38.7	— 74.2	— 13.6	+ 41.2	+ 24.7	+ 17.3
Dollar Area									
Imports, c.i.f.	..	138.9	143.3	211.2	282.3	247.4	255.8	395.0	272.2
Exports, f.o.b.	..	168.1	120.4	121.0	192.6(e)	104.3	117.4	121.5	137.4
Trade balance	..	+ 29.2	— 22.9	— 90.2	— 89.7	— 143.1	— 138.4	— 273.5	— 134.8
Official donations	..	+ 2.1	+ 51.8	+ 34.7	+ 27.4	+ 33.7	+ 37.5	+ 43.5(e)	+ 44.1
Other invisibles (net)	..	+ 1.8	+ 5.9	+ 13.7	+ 16.4	+ 31.2	+ 45.3(d)	+ 37.6	+ 10.3
Current Account (net)	..	+ 29.5	+ 34.8	— 41.8	— 45.9	— 78.2	— 55.6	— 192.4	— 69.4
O.E.E.C. Countries (a)									
Imports, c.i.f.	..	154.5	262.7	314.3	211.9	159.0	188.0	197.4	127.9
Exports, f.o.b.	..	72.5	62.6	57.4	50.5	60.1	56.7	63.2	41.6
Trade balance	..	— 82.0	— 200.1	— 256.9	— 161.4	— 98.9	— 131.3	— 134.2	— 79.3
Official donations	..	—	— 0.1	+ 0.1	—	—	+ 0.1	+ 0.1	—
Other invisibles (net)	..	— 2.7	— 0.2	+ 1.1	— 3.7	— 5.7	— 10.2	— 13.2	— 11.7
Current Account (net)	..	— 84.7	— 200.2	— 255.7	— 165.1	— 104.6	— 141.4	— 147.3	— 91.0
Rest of Non-Sterling Area (b)									
Imports, c.i.f.	..	181.2	113.7	161.4	185.8	195.1	134.1	173.0	247.4
Exports, f.o.b.	..	127.3	116.4	119.0	120.6	120.3	150.9	151.4	174.6
Trade balance	..	+ 53.9	+ 2.7	— 42.4	— 65.2	— 74.8	+ 16.8	+ 21.6	— 72.8
Official donations	..	—	—	— 0.1	—	—	—	—	+ 0.4
Other invisibles (net)	..	+ 9.7	+ 10.7	+ 12.1	+ 13.2	+ 12.2	+ 9.8	+ 8.8	+ 4.5
Current Account (net)	..	+ 63.6	+ 13.4	— 30.2	— 52.0	— 62.6	+ 26.6	+ 12.8	— 67.9
International Institutions									
Imports, c.i.f.	..	—	—	—	—	—	—	—	—
Exports, f.o.b.	..	—	—	—	—	—	—	—	—
Trade balance	..	—	—	—	—	—	—	—	—
Official donations	..	—	—	—	—	—	—	—	—
Other invisibles (net)	..	— 1.9	— 3.6	— 7.5	— 10.8	— 21.1(f)	— 24.8(f)	— 18.0(f)	— 18.9
Current Account (net)	..	— 1.9	— 3.6	— 7.5	— 10.8	— 21.1	— 24.8	— 18.0	— 18.9

Note: (1) Till December 1960, imports of mineral oils are classified region-wise on the basis of the currency labelling involved and thereafter according to geographical origin. (2) Transactions with international institutions are classified region-wise on the basis of the location of their headquarters till March 1956 and thereafter shown separately. (3) Imports into and exports from Goa, Diu and Dadra are covered since April 1962.

(a) Include their associated territories upto June 1955. (b) Including O.E.E.C. countries in 1950-51. (e) Includes 1.1 million returned to the U.S.A. valued at Rs. 74.4 crores in fulfillment of lend-lease obligations. (d) Includes movement of monetary gold valued at Rs. +5.9 crores. (e) Includes Rs. 8.4 crores earmarked by the U.S. authorities to finance export of goods and services to Nepal under their economic aid programme to that country. (f) Includes Rs. 8.3 crores paid to the I.B.R.D. under the Indus Water Treaty, 1960.

**STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, APRIL-DECEMBER 1962 (PRELIMINARY)**

CURRENT ACCOUNT: REGION-WISE  
STERLING AREA

BALANCE OF PAYMENTS

S 121

Item	April-June 1962			July-September 1962			October-December 1962			April-December 1962			(Crores of Rupees)
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	
<b>1. Merchandise*</b>													
(i) Private	..	59.8	51.7	+ 8.1	67.3	48.4	+18.9	79.2	47.3	+31.9	206.3	147.4	+58.9
(ii) Government	..	0.2	23.1	-22.9	0.3	14.6	-14.3	0.1	20.0	-19.9	0.6	57.7	-57.1
2. Non-monetary gold movement	..	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel	..	—	1.0	-1.0	0.1	1.0	-0.9	—	1.0	-1.0	0.1	3.0	-2.9
4. Transportation	..	5.0	2.8	+ 2.2	5.3	2.4	+ 2.9	7.1	1.9	+ 5.2	17.4	7.1	+10.3
5. Insurance	..	1.0	0.8	+ 0.2	1.1	0.7	+ 0.4	1.1	0.9	+ 0.2	3.2	2.4	+ 0.8
6. Investment income	..	3.5	8.4	-4.9	1.3	10.6	-9.3	2.7	10.9	-8.2	7.5	29.9	-22.4
7. Government, not included elsewhere	..	2.9	1.7	+ 1.2	3.2	1.7	+ 1.5	1.7	1.4	+ 0.3	7.8	4.8	+ 3.0
8. Miscellaneous	..	3.7	3.0	+ 0.7	4.9	3.3	+ 1.6	4.3	3.7	+ 0.6	12.9	10.0	+ 2.9
9. Donations													
(i) Official	..	—	—	—	—	—	—	0.2	—	+ 0.2	0.2	—	+ 0.2
(ii) Private	..	5.7	3.5	+ 2.2	5.3	2.3	+ 3.0	6.0	2.4	+ 3.6	17.0	8.2	+ 8.8
10. Total Current Transactions	..	\$1.8	96.0	-14.2	88.8	85.0	+ 3.8	102.4	89.5	+12.9	273.0	270.5	+ 2.5

\* Exports f.o.b., imports c.i.f.

## STATEMENT-6B—INDIA'S BALANCE-OF-PAYMENTS, APRIL-DECEMBER 1962 (PRELIMINARY)—(Contd.)

Item	April-June 1962			July-September 1962			October-December 1962			April-December 1962		
	Credit <sup>1</sup>	Debit <sup>2</sup>	Net <sup>3</sup>	Credit <sup>1</sup>	Debit <sup>2</sup>	Net <sup>3</sup>	Credit <sup>1</sup>	Debit <sup>2</sup>	Net <sup>3</sup>	Credit <sup>1</sup>	Debit <sup>2</sup>	Net <sup>3</sup>
1. Merchandise*												
(i) Private	... 33.3	29.4	+ 4.1 <sup>4</sup>	33.2	44.3 <sup>5</sup>	- 11.3 <sup>6</sup>	38.3 <sup>7</sup>	36.0 <sup>8</sup>	+ 2.3	105.6 <sup>9</sup>	109.9 <sup>10</sup>	- 4.3 <sup>11</sup>
(ii) Government ...	0.4	56.5	- 56.1 <sup>0</sup>	0.1	52.9 <sup>1</sup>	- 52.9 <sup>1</sup>	—	67.8 <sup>0</sup>	+ 0.5	176.3 <sup>2</sup>	176.2 <sup>3</sup>	+ 0.1 <sup>4</sup>
2. Non-monetary gold movement	...	...	...	3	3	—	5.4	5.4	—	1.0	1.0	—
3. Travel	...	1.2	0.8	+ 0.4	1.0	0.2	+ 0.4	0.3	—	—	—	—
4. Transportation	...	2.2	0.9	+ 1.3	1.7	2.0	- 0.3	2.1	1.5	+ 0.6	6.0	+ 1.6
5. Insurance	...	0.1	—	+ 0.1	0.1	0.1 <sup>1</sup>	- 0.1 <sup>1</sup>	0.1 <sup>1</sup>	0.1 <sup>1</sup>	0.3	0.0	- 0.3 <sup>1</sup>
6. Investment Income	...	0.2	6.1	- 5.9	0.3	4.3	- 4.5	0.1 <sup>1</sup>	3	0.3	0.3	- 0.7 <sup>1</sup>
7. Government, not included elsewhere	...	3.9	0.4	+ 3.5	12.2	0.4	+ 11.8	8.7	0.5	20.0 <sup>2</sup>	20.7 <sup>3</sup>	- 0.7 <sup>4</sup>
8. Miscellaneous	...	1.7	1.7	—	1.8	1.1	+ 0.7	3.3	1.8	+ 1.5 <sup>1</sup>	0.6	- 1.9 <sup>2</sup>
9. Donations	...	—	—	—	—	—	—	—	—	—	—	- 15.0
(i) Official	...	10.2	—	+ 10.2	23.4	—	+ 23.4	20.4	—	+ 20.4	54.0	— 4.54.0
(ii) Private	...	1.0	0.3	+ 2.7	2.7	0.2	+ 2.5	3.1	0.3	+ 2.8	8.8	0.82 + 8.0
10. Total Current Transactions	...	16.4	96.1	- 99.7	76.5	106.4	- 29.9	77.0	116.4	- 39.4	209.9	318.9 - 109.0

\* Exports of h. Imports e/f.

(Crores of Rupees)

**STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, APRIL-DECEMBER 1962 (PRELIMINARY)—(Contd.)**

CURRENT ACCOUNT : REGION-WISE  
O.E.C.C. COUNTRIES

(Crone of Rupees)

Item	April-June 1962			July-September 1962			October-December 1962			April-December 1962		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net
<b>1. Merchandise*</b>												
(i) Private	..	14.7	29.8	-15.1	15.6	27.2	-11.6	18.0	31.9	-13.9	48.3	88.9
(ii) Government	..	0.2	12.2	-12.0	0.1	14.0	-13.9	..	12.8	-12.8	0.3	39.0
2. Non-monetary gold movement	..	—	—	—	—	—	—	—	—	—	—	+ 1.1
3. Travel	..	—	0.6	-0.6	—	0.5	-0.5	0.1	10.4	-0.4	0011	1115
4. Transportation	..	0.7	1.8	-1.1	0.3	1.8	-1.0	—	1.8	-0.8	—	-2.5
5. Insurance	..	0.1	0.1	—	0.1	0.1	—	0.1	—	—	0.3	—
6. Investments & Assets held by Central Government and included in the above	..	0.2	30066	-10.5	0.4	30412	-20.3	0051	30194	-20.3	1041	35612
7. Miscellaneous	..	0.2	0.4	+ 0.3	13.2	0.8	-13.2	25.3	41.0	+ 12.7	141.1	133.1
8. Miscellaneous	..	0.9	1.7	-0.8	0.6	1.1	-0.5	1.0	1.2	-0.2	2.5	4.0
9. Donations	..	—	—	—	—	—	—	—	—	—	—	—
(i) Omissions	..	—	—	—	—	—	—	—	—	—	—	—
(ii) Private	..	0.4	0.4	-0.1	0.0	0.4	-0.1	0.0	0.0	0.0	—	—
10. Total Current Transactions	..	17.7	47.7	-30.0	18.0	49.7	-31.7	21.1	50.4	-29.3	56.8	107.6
<b>11. Capital Transfers</b>												
<b>12. Net Errors and Omissions</b>												

\* Exports, *f.o.b.*, imports *c.i.f.*

CHARTERED ACCOUNTANT : REGONAL

(C.I.T.)—THE MARCHES, A MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA—THE INSTITUTE

## STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, APRIL-DECEMBER 1962 (PRELIMINARY)—(Contd.)

CURRENT ACCOUNT : REGION-WISE  
REST OF NON-STERLING AREA

(Crores of Rupees)

Item	April-June 1962			July-September 1962			October-December 1962			April-December 1962		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net
1. Merchandise*												
(i) Private ..	44.9	41.7	+ 0.2	43.9	46.8	- 2.9	52.3	41.6	+ 10.7	141.1	133.1	+ 8.0
(ii) Government ..	0.9	20.6	-19.7	0.4	20.9	-20.5	0.2	20.6	-20.4	1.5	62.1	-60.6
2. Non-monetary gold ..	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel ..	0.1	2.3	-2.2	—	0.7	-0.7	—	0.1	-0.1	0.1	3.1	-3.0
4. Transportation ..	3.1	0.8	+ 2.3	3.3	0.6	+ 2.7	3.3	0.6	+ 2.7	9.7	2.0	+ 7.7
5. Insurance ..	0.4	0.2	+ 0.2	0.4	—	+ 0.4	0.4	—	+ 0.4	1.2	0.2	+ 1.0
6. Investment Income ..	—	0.7	-0.7	0.1	—	0.1	—	0.2	0.8	-0.6	0.3	1.6
7. Government, not included elsewhere ..	0.8	0.6	+ 0.2	0.8	0.6	+ 0.2	0.2	1.1	-0.9	1.8	2.3	-0.5
8. Miscellaneous ..	0.8	1.2	-0.4	1.2	1.4	-0.2	0.6	1.1	-0.5	2.6	3.7	-1.1
9. Donations ..												
(i) Official ..	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private ..	0.4	0.2	+ 0.2	0.3	0.2	+ 0.1	0.2	0.2	—	0.9	0.6	+ 0.3
10. Total Current Transactions ..	51.4	71.3	-19.9	50.4	71.3	-20.9	57.4	66.1	-8.7	159.2	208.7	-49.5

\* Imports/for bala. Imports &amp; L.F.

**STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, APRIL-DECEMBER 1962 (PRELIMINARY)—(Concl'd.)**

**CURRENT ACCOUNT : REGION-WISE  
INTERNATIONAL INSTITUTIONS**

(Crates of Rupees).

Item	April-June 1962			July-September 1962			October-December 1962			April-December 1962		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net
<b>I. Merchandise</b>												
(i) Private ..	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Government ..	—	—	—	—	—	—	—	—	—	—	—	—
2. Non-monetary movement gold ..	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel ..	—	—	—	—	—	—	—	—	—	—	—	—
4. Transportation ..	—	—	—	—	—	—	—	—	—	—	—	—
5. Insurance ..	—	—	—	—	—	—	—	—	—	—	—	—
6. Investment income ..	—	3.4	—3.4	—	4.5	—4.5	—	3.3	—3.3	—	11.2	—11.2
7. Government, not included elsewhere ..	—	—	1.6	0.4	+1.2	0.8	8.8*	—8.0	2.4	9.2*	—6.8	—
8. Miscellaneous ..	—	—	—	—	—	—	—	—	—	—	—	—
9. Donations ..	—	—	—	—	—	—	—	—	—	—	—	—
(i) Official ..	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private ..	—	—	—	—	—	—	—	—	—	—	—	—
10. Total Current Transactions ..	—	3.4	—3.4	1.6	4.9	—3.3	0.8	12.1	—11.3	2.4	20.4	—18.0

\* Includes Rs. 8.3 crores paid to the I.B.R.D. as our contribution to the Indus Basin Development Fund under the terms of the Indus Water Treaty, signed on September 19, 1960.

## STATEMENT 69—INDEX NUMBERS OF EXPORTS

(UNIT VALUE INDEX)  
(1958=100)

Commodity head	1950*	1951*	1962*	1962												
				Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
I. Food ..	110	102	100	101	100	100	97	99	94	99	104	101	103	101	101	101
1. Fish and fish preparations ..	102	92	111	105	83	83	113	118	114	117	105	121	111	117	141	141
2. Fruits and vegetables ..	117	111	100	103	100	101	93	97	100	103	103	99	97	95	104	104
3. Coffee ..	87	64	23	74	77	76	80	93	85	102	80	85	81	79	81	81
4. Tea and mate ..	103	101	96	94	96	94	89	91	90	95	104	102	101	99	101	101
5. Spices ..	165	129	115	129	122	130	115	107	115	109	132	115	101	99	104	104
6. Oilseed cake ..	112	102	116	103	109	105	104	102	110	113	119	122	123	125	130	130
II. Beverages and Tobacco ..	107	109	85	35	43	183	164	117	94	67	74	57	54	63	65	65
III. Crude Materials, Inedible except Fuels ..	102	105	103	104	103	105	108	102	99	105	105	102	104	101	103	103
7. Hides and skins, undressed ..	151	129	123	127	118	133	132	125	114	113	115	115	135	120	125	125
8. Wool and other animal hair ..	106	104	105	101	94	105	105	109	103	104	107	112	105	107	107	107
9. Cotton, raw and waste ..	102	117	103	100	101	105	104	105	106	104	103	105	106	103	97	97
10. Crude minerals excluding coal, petroleum, etc. ..	109	100	95	99	101	100	95	90	95	97	102	98	102	101	97	97
11. Metalliciferous ores and metal scrap ..	91	94	91	94	95	88	94	90	82	93	94	90	94	88	87	87
12. Animal and vegetable crude materials ..	107	110	113	111	104	114	116	114	115	119	115	112	111	114	115	115
IV. Mineral Fuels, and Lubricants, etc. ..	99	91	90	93	107	88	89	87	93	92	85	91	85	86	83	83
13. Coal and coke ..	103	91	94	100	84	85	134	83	93	98	92	98	85	85	E9	E9
V. Animal and Vegetable Oils and Fats ..	109	104	96	101	103	98	100	95	95	89	85	92	99	102	E9	E9
VI. Chemicals ..	158	201	211	246	307	227	227	236	270	156	174	167	178	168	170	170
VII. Manufactured goods classified chiefly by material ..	111	122	114	115	115	113	110	119	114	114	115	118	114	106	116	116
14. Leather and manufactures thereof ..	124	115	109	115	111	110	110	110	110	107	106	107	112	107	107	107
15. Textile yarn and thread ..	111	132	133	129	130	134	137	133	136	135	128	134	131	136	134	134
16. Cotton fabrics of standard type ..	113	114	112	115	113	113	113	113	114	115	115	110	112	104	105	105
17. Fabrics of jute ..	118	140	135	131	132	130	127	132	130	136	140	139	139	141	143	143
18. Fabrics of synthetic fibre and spun glass ..	34	27	34	33	31	32	34	50	40	36	33	34	31	30	29	29
19. Bags and sacks for packing ..	117	152	121	121	120	123	123	126	122	121	121	122	116	116	116	116
20. Floor coverings ..	102	117	126	125	126	121	124	133	134	135	130	125	116	117	124	124
VIII. Machinery and Transport Equipment ..	89	92	79	99	82	71	82	77	79	72	89	61	83	77	74	74
IX. Miscellaneous Manufactured Articles ..	112	95	101	105	88	91	105	93	97	95	104	103	102	119	103	103
GENERAL ..	109	111	106	107	105	110	109	109	105	104	106	105	102	102	106	106
VOLUME INDEX OF TOTAL EXPORTS ..	101	105	112	113	93	110	93	58	99	114	123	121	117	132	126	126
TERMS OF TRADE ..	111	112	113	111	113	118	117	115	114	112	109	113	109	104	123	123

\*Averages of twelve months, as annual data on calendar year basis are not directly available. The foreign trade statistics are being compiled since April, 1960 on a financial year basis.

Source: Department of Commercial Intelligence and Statistics

**STATEMENT 70—INDEX NUMBERS OF IMPORTS**  
**(UNIT VALUE INDEX)**  
**(1958=100)**

Commodity head	1962														
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.			
I. Food .. .	100	96	92	97	76	81	84	99	84	92	104	85	105	97	97
1. Dairy products, eggs and honey .. .	90	68	64	60	49	64	50	82	58	33	68	60	100	91	56
2. Cereals and cereal preparations .. .	92	95	95	106	104	79	90	83	82	102	102	97	104	95	94
3. Fruits and vegetables .. .	124	125	109	111	86	100	98	126	116	112	111	104	112	124	110
II. Beverages and Tobacco .. .	101	98	103	101	95	97	97	82	98	101	91	109	117	124	122
III. Crude Materials etc. .. .	94	93	94	93	94	96	97	98	97	90	92	87	94	97	97
4. Copra .. .	116	101	101	114	98	99	102	100	98	105	96	98	100	99	103
5. Wool and other animal hair .. .	97	89	95	89	100	93	94	98	86	95	101	97	95	97	100
6. Raw cotton other than linters .. .	87	88	91	91	91	92	95	97	97	83	90	84	86	93	92
7. Crude fertilisers .. .	92	91	96	93	88	95	95	94	99	99	101	99	99	96	99
IV. Mineral Fuels, etc. .. .	89	93	87	100	93	79	77	83	90	79	96	82	95	82	87
8. Petroleum crude etc. .. .	92	82	79	78	78	86	72	77	77	77	77	77	72	90	
9. Petroleum products .. .	88	102	88	100	93	85	67	88	90	81	96	86	95	85	86
V. Animal and Vegetable Oils and Fats .. .	98	99	89	97	93	95	104	93	96	85	81	83	88	83	71
VI. Chemicals .. .	88	86	71	73	75	87	73	71	74	61	68	80	59	82	44
10. Chemical elements and compounds .. .	88	87	83	94	90	86	84	81	73	75	85	85	76	90	81
11. Dyeing, tanning and colouring materials .. .	108	101	105	98	93	91	98	108	104	98	101	103	115	130	118
12. Fertilisers manufactured	74	77	48	31	36	72	38	53	61	41	40	67	33	65	36
VII. Manufactured Goods etc. .. .	101	101	99	95	100	99	104	97	96	99	105	100	98	98	100
13. Paper, paperboard etc. .. .	93	94	91	79	95	91	96	99	89	90	93	95	92	88	90
14. Textile yarn and thread .. .	95	86	76	83	80	82	77	76	74	66	86	73	70	73	68
15. Iron and steel .. .	95	99	96	94	96	92	103	94	95	97	101	98	94	93	92
16. Copper .. .	135	124	129	129	131	127	129	136	129	130	129	126	127	124	130
17. Aluminium .. .	99	100	92	99	88	98	96	90	87	91	88	87	95	84	97
18. Zinc .. .	128	113	102	101	110	102	103	107	104	104	96	105	96	100	
19. Manufactures of metals	120	119	140	140	120	129	123	86	112	116	133	145	182	203	194
VIII. Machinery etc. .. .	103	106	106	103	97	107	104	102	101	117	105	107	113	109	109
20. Machinery other than electric .. .	103	107	107	106	97	113	106	106	101	115	107	105	118	108	105
21. Electric machinery, etc. .. .	131	130	133	111	105	135	124	103	101	152	144	183	102	160	173
22. Transport equipment .. .	94	95	93	84	96	71	88	83	104	114	84	96	89	101	103
IX. Miscellaneous Manufactured Articles .. .	99	106	100	106	95	95	96	102	96	106	108	106	97	95	101
GENERAL .. .	98	99	94	96	93	93	93	95	92	93	97	93	96	98	86
Volume Index of Total Imports .. .	107	111	120	100	104	145	124	110	123	112	113	144	97	129	141

\* Averages of twelve months as annual data on a calendar year basis are not directly available. Since April, 1960 trade statistics are being compiled on a financial year basis. The index numbers shown here do not take into account imports into Goa, Daman & Diu.

Source: Department of Commercial Intelligence and Statistics.

**STATEMENT 72—DIRECTION OF INDIA'S FOREIGN TRADE**

(Lakhs of Rupees)

**BALANCE OF PAYMENTS**

S 129

Year/Quarter	ALL COUNTRIES						WESTERN HEMISPHERE					
	TOTAL			U.S.A.			TOTAL			U.S.A.		
	Imports (—)	Exports (+)	Balance (—)	Imports (—)	Exports (+)	Balance (—)	Imports (—)	Exports (+)	Balance (—)	Imports (—)	Exports (+)	Balance (—)
1961-62	"	10,90,06	6,60,34	-4,29,72	2,79,59	1,49,98	-1,29,61	2,55,54	1,15,74	-1,39,80	24,05	34,24 + 10,19
April-June 1961	"	2,90,98	1,56,90	-1,34,08	76,16	32,64	-43,52	70,18	26,65	-43,53	5,98	5,99 + 1
July-September 1961	"	2,41,94	1,68,06	-71,68	70,58	39,28	-31,30	64,15	31,14	-31,01	6,43	8,14 + 1,71
October-December 1961	"	2,75,12	1,74,16	-1,00,96	62,16	40,96	-22,10	56,85	29,63	-27,22	5,31	10,43 + 5,12
January-March 1962..	"	2,83,02	1,61,22	-1,20,80	70,69	33,00	-32,69	64,36	28,32	-36,04	6,33	9,68 + 3,35
1962-63	"	10,77,40	6,93,70	-3,83,40	3,33,80	1,63,20	-1,73,60	3,15,26	1,17,10	-1,93,16	18,54	43,10 + 24,56
April-June 1962	"	2,47,93	1,49,85	-98,08	65,24	36,56	-28,68	60,91	26,51	-34,40	4,33	10,05 + 5,72
July-September 1962	"	2,74,89	1,76,01	-98,87	59,23	38,97	-60,76	95,95	26,70	-69,25	3,28	12,27 + 8,99
October-December 1962	"	2,80,33	1,84,42	-95,91	91,97	42,89	-49,08	86,41	30,98	-55,43	5,56	11,91 + 6,35
January-March 1963..	"	2,73,95	1,83,41	-90,54	77,36	41,73	-35,58	71,99	32,91	-39,08	5,37	8,87 + 3,50

Year/Quarter	WESTERN EUROPE						OTHERS					
	TOTAL			U.K.			E.E.C. COUNTRIES			E.F.T.A. COUNTRIES (other than U.K.)		
	Imports (—)	Exports (+)	Balance (—)	Imports (—)	Exports (+)	Balance (—)	Imports (—)	Exports (+)	Balance (—)	Imports (—)	Exports (+)	Balance (—)
1961-62	"	4,32,56	2,23,87	-2,03,69	2,00,15	1,60,93	-39,22	1,94,15	51,82	-1,39,33	35,95	7,03 -28,92
April-June 1961	"	1,15,86	50,46	-65,40	54,02	33,48	-20,54	52,45	14,38	-38,07	8,20	1,77 -6,43
July-September 1961	"	97,95	60,78	-37,57	46,49	43,14	-3,35	41,50	12,40	-29,10	9,09	1,71 -7,38
October-December 1961	"	1,14,86	64,99	-49,87	50,57	46,87	-3,70	51,89	13,00	-38,89	10,25	8,32 -8,32
January-March 1962..	"	1,03,89	53,04	-50,85	49,07	37,44	-11,63	51,39	12,04	-33,27	8,41	1,62 -6,79
1962-63	"	3,60,57	2,35,98	-1,24,59	1,78,31	1,63,73	-14,58	1,53,51	49,17	-1,04,34	25,84	7,91 -17,93
April-June 1962	"	88,77	43,35	-45,42	44,53	29,54	-14,99	37,20	10,59	-26,61	6,31	1,82 -4,49
July-September 1962	"	88,31	64,41	-23,90	42,67	46,57	+ 3,90	38,51	11,68	-26,83	1,93	-4,36 -4,36
October-December 1962	"	88,06	63,72	-24,34	45,08	44,86	-2,22	36,01	12,16	-23,85	6,35	1,87 -4,48
January-March 1963..	"	95,43	64,50	-30,93	46,03	42,76	-3,27	41,79	14,74	-27,05	6,89	2,29 -4,60

## STATEMENT 72—DIRECTION OF INDIA'S FOREIGN TRADE—(Contd.)

(Lakhs of Rupees)

Year/Quarter	MIDDLE EAST											
	EASTERN EUROPE				U.S.S.R.				OTHERS			
	Imports		Exports		Balance		Imports		Exports		Balance	
Year/Quarter	(—)	(+)	(—)	(+)	(—)	(+)	(—)	(+)	(—)	(+)	(—)	(+)
	28	29	30	31	32	33	34	35	36	37	38	39
1961-62 ..	..	..	..	..	87,62	63,79	-23,83	39,94	32,20	-7,74	47,68	31,59
April-June 1961 ..	..	..	..	..	16,73	15,11	-1,62	6,10	8,83	+ 2,73	10,63	6,28
July-September 1961 ..	..	..	..	..	17,77	14,59	-3,18	7,76	9,19	+ 1,43	10,81	5,40
October-December 1961 ..	..	..	..	..	21,96	15,69	-6,27	8,14	7,81	-3,3	13,82	7,88
January-March 1962 ..	..	..	..	..	31,16	18,40	-12,76	17,94	6,37	-11,57	13,22	12,03
1962-63 ..	..	..	..	..	1,06,19	93,23	-12,96	55,50	38,53	-16,97	50,69	34,70
April-June 1962 ..	..	..	..	..	25,86	21,86	-4,00	14,37	8,65	-5,72	11,49	11,21
July-September 1962 ..	..	..	..	..	21,59	22,48	+ 1,89	9,72	10,27	+ 5,5	11,67	12,21
October-December 1962 ..	..	..	..	..	32,41	25,65	-6,76	18,25	10,52	-7,73	14,16	15,13
January-March 1963 ..	..	..	..	..	26,53	23,24	-3,29	13,16	9,09	-4,07	13,37	14,15
OTHER ASIA (EXCLUDING U.S.S.R.)												
Year/Quarter	OCEANIA											
	TOTAL				SOUTH EAST				PACIFIC			
	(—)	(+)	(—)	(+)	(—)	(+)	(—)	(+)	(—)	(+)	(—)	(+)
	40	41	42	43	44	45	46	47	48	49	50	51
1961-62 ..	..	41,43	29,95	-11,48	12,02	24	108,86	-11,38	20,27	31,56	+11,29	99,97
April-June 1961 ..	..	12,38	8,09	-4,29	40,64	32,16	-8,48	3,15	8,19	+ 5,04	37,49	23,97
July-September 1961 ..	..	8,78	8,10	..	6,81	16,72	+ 1,52	4,52	8,15	+ 3,63	20,68	18,57
October-December 1961 ..	..	11,12	7,26	-3,86	26,50	24,36	-2,14	5,48	7,70	+ 2,22	21,02	16,86
January-March 1962 ..	..	6,50	-2,65	27,90	23,62	-2,28	7,12	7,52	+ 40	20,78	18,10	2,68
1962-63 ..	..	29,41	25,76	-3,65	1,25,44	98,11	-27,33	10,25	29,35	-	90	95,19
April-June 1962 ..	..	7,75	5,81	-1,92	31,67	24,65	-7,99	5,11	7,64	+ 2,53	27,56	17,04
July-September 1962 ..	..	6,78	7,62	+ 1,74	28,39	24,12	-4,57	8,42	7,80	-	62	19,97
October-December 1962 ..	..	6,93	5,73	-1,22	31,72	22,13	-10,52	7,99	7,84	+ 1,5	24,76	14,39
January-March 1963 ..	..	6,58	7,93	-1,35	31,63	26,03	-5,35	8,73	6,07	-2,66	22,90	10,37

Note: The scope and coverage of the Statement 71 for the years 1959 to 1962 except for the exclusion of treasure. Trade statistics are classified according to countries to which imports and exports are directed i.e., in respect to the country of destination and exports to the country of consignment and these countries are classified as a unitary group in the totals. Total figures shown in this statement may not agree with those given in Statement 71 as the former takes into account the latest revision. Revisions in the total figure are carried out by the D.O.C.G.I. & N.I. as and when details become available. Exports and Imports from Goa, Daman and Diu are excluded.

Source: *Monthly Statistics of the Foreign Trade of India*, issued by the Department of Commercial Intelligence and Statistics, Government of India.

## STATEMENT 73—INDIA'S IMPORTS OF PRINCIPAL COMMODITIES

(Lakhs of Rupees)

Commodity	April-June 1961	July-Sept. 1961	Oct.-Dec. 1961	Jan.-March 1962	April 1961-March 1962	April-June 1962	July-Sept. 1962	Oct.-Dec. 1962	Jan.-March 1963	April 1962-March 1963
I. Food .. ..	40,31	28,74	36,41	41,61	1,47,07	33,37	39,30	38,85	40,87	1,52,39
1. Cereals and Cereal Preparations ..	34,32	22,26	28,38	31,94	1,16,90	26,55	31,17	30,63	28,76	1,17,11
(i) Wheat ..	25,87	18,97	26,44	22,59	93,87	11,44	28,48	27,21	24,73	91,86
(ii) Rice ..	7,47	2,33	72	8,21	18,73	14,56	1,47	2,05	3,18	21,26
(iii) Others ..	98	96	1,22	1,14	4,30	55	1,22	1,37	85	3,99
2. Cashewnuts ..	2,22	81	1,58	2,09	6,70	1,92	1,17	2,57	3,46	9,12
3. Spices .. ..	38	39	38	52	1,67	22	60	62	33	1,77
4. Others .. ..	3,39	5,28	6,07	7,06	21,80	4,68	6,36	5,03	8,32	24,39
II. Beverages and Tobacco ..	95	24	12	34	1,65	9	42	80	35	1,66
1. Tobacco unmanufactured ..	76	12	—	26	1,14	2	34	73	28	1,37
III. Crude Materials, Inedible except Fuels ..	34,36	41,25	25,51	28,77	1,29,89	27,10	43,68	26,93	28,97	1,26,70
1. Hides and skins (raw) ..	65	60	45	54	2,24	71	56	68	81	2,76
2. Copra .. ..	2,48	1,69	3,16	2,09	9,42	2,31	2,60	2,59	2,47	9,97
3. Crude rubber ..	2,41	2,07	3,24	2,38	10,10	2,97	2,35	2,88	2,03	10,23
4. Cotton (raw) (a) ..	16,07	26,29	7,77	12,53	62,66	9,44	27,35	8,65	11,47	56,91
5. Jute (raw) (b) ..	1,19	2,24	1,81	1,03	6,27	59	57	1,41	78	3,35
6. Wool (raw) (c) ..	3,65	2,29	2,92	3,32	12,18	3,43	2,74	2,52	3,46	12,15
7. Others .. ..	7,91	6,07	6,16	6,88	27,02	2,65	2,51	8,22	7,95	31,33
IV. Mineral Fuels, Lubricants and Related Materials .. ..	19,35	15,53	30,98	30,06	95,86	18,73	23,20	23,16	22,89	87,98
1. Petroleum crude & partly refined ..	7,32	4,35	12,77	17,92	42,36	8,03	8,54	5,69	7,89	30,15
2. Kerosene .. ..	6,09	6,53	8,91	6,38	27,91	4,63	8,68	10,41	8,61	32,33
3. Other petroleum products .. ..	5,88	4,63	9,27	5,60	25,38	6,00	5,87	6,95	6,36	25,18
4. Others .. ..	6	2	3	10	21	7	11	11	3	32
V. Animal and Vegetable Oils and Fats .. ..	1,69	—	1,89	3,59	8,62	2,10	1,51	90	1,12	5,63

## STATEMENT 73—INDIA'S IMPORTS OF PRINCIPAL COMMODITIES—(Contd.)

Commodity	(Lakhs of Rupees)									
	April-June 1961	July-Sept. 1961	Oct.-Dec. 1961	Jan.-March 1962	April 1961-March 1962	April-June 1962	July-Sept. 1962	Oct.-Dec. 1962	Jan.-March 1963	April 1962-March 1963
<b>VI. Chemicals . . .</b>	<b>25.64</b>	<b>19.41</b>	<b>25.30</b>	<b>19.41</b>	<b>89.76</b>	<b>24.95</b>	<b>23.94</b>	<b>27.56</b>	<b>23.96</b>	<b>1,00.41</b>
1. Chemical elements and compounds . . .	10.89	6.36	10.33	8.01	35.59	10.54	9.59	8.68	8.97	37.78
2. Dyeing, tanning & colouring materials . . .	3.97	2.83	4.56	3.10	14.46	3.11	2.98	2.95	3.11	12.15
3. Medicinal, pharmaceutical products . . .	2.76	2.42	3.38	2.74	11.30	2.59	2.26	2.56	1.83	9.24
4. Fertilizers manufactured . . .	3.89	4.14	2.64	1.55	12.22	4.82	5.76	10.17	6.51	27.26
5. Others . . .	4.13	3.66	4.39	4.01	16.19	3.59	3.35	3.20	3.54	13.95
<b>VII. Manufactured Goods . . .</b>	<b>59.12</b>	<b>51.10</b>	<b>56.67</b>	<b>54.27</b>	<b>2,21.16</b>	<b>46.12</b>	<b>48.63</b>	<b>52.51</b>	<b>51.22</b>	<b>1,58.43</b>
1. Paper and paper-boards and manufacturers thereof . . .	3.29	3.35	4.77	4.54	15.95	2.32	3.22	3.42	4.38	13.34
(i) Newsprint . . .	1.54	1.92	3.01	3.24	9.71	1.25	1.91	2.14	2.33	7.63
2. Art silk yarn and thread . . .	3.07	2.04	4.57	3.14	12.82	3.10	3.38	3.47	2.93	12.88
3. Iron and steel . . .	25.44	26.45	26.58	26.34	107.81	19.59	18.95	24.66	23.45	86.65
4. Non-ferrous metals . . .	14.04	11.37	12.07	11.98	49.46	14.27	15.47	12.41	12.86	53.01
5. Metal manufactures . . .	5.08	4.08	4.48	4.31	17.95	3.63	4.68	5.41	4.69	18.41
6. Others . . .	5.20	3.81	4.20	3.96	17.17	3.21	2.93	3.14	2.91	12.19
<b>VIII. Machinery and Transport Equipment . . .</b>	<b>1,03.23</b>	<b>77.79</b>	<b>90.24</b>	<b>96.27</b>	<b>3,67.52</b>	<b>88.89</b>	<b>86.16</b>	<b>1,02.37</b>	<b>94.96</b>	<b>3,72.38</b>
1. Machinery other than electric . . .	66.73	49.53	56.72	64.01	2,36.99	64.13	58.80	64.84	59.37	247.14
2. Electric machinery, apparatus and appliances . . .	20.73	12.81	16.94	15.43	65.91	13.25	12.54	17.85	18.51	62.15
3. Transport Equipment . . .	15.76	15.45	16.58	16.83	64.62	11.51	14.82	19.68	17.08	63.09
(i) Railway vehicles . . .	2.47	2.76	5.03	5.22	15.50	2.22	4.63	10.26	5.57	22.58
(ii) Others . . .	13.29	12.67	11.55	11.61	49.12	9.29	10.19	9.52	11.51	40.51
<b>IX. Miscellaneous Manufactured Articles . . .</b>	<b>4.86</b>	<b>4.94</b>	<b>6.17</b>	<b>5.72</b>	<b>21.69</b>	<b>5.17</b>	<b>6.30</b>	<b>5.69</b>	<b>7.85</b>	<b>25.01</b>
<b>Grand Total(d) . . .</b>	<b>2,90.98</b>	<b>2,41.94</b>	<b>2,75.12</b>	<b>2,82.02</b>	<b>10,93.06</b>	<b>2,47.93</b>	<b>2,74.89</b>	<b>2,80.33</b>	<b>2,73.95</b>	<b>10,77.18</b>

Note : The scope and coverage of the Statement are the same as those for Statement 71 except for the exclusion of treasure. Total figures shown in this Statement will not agree with those in Statement 71 as the former takes into account the latest revisions. Revisions in the total figures are carried out by the D.G.C.I. & S. as and when details become available. Figures shown here do not take into account imports into Goa, Daman & Diu.

(a) Other than letters. (b) Includes cuttings and waste. (c) Includes other animal hair. (d) Includes "Miscellaneous transactions and commodities" and excludes (i) the value of treasure imports and (ii) articles under reference (1962-63).

Source : *Monthly statistics of the Foreign Trade of India*, published by the Department of Commercial Intelligence and Statistics.

STATEMENT 74—INDIA'S EXPORTS<sup>(a)</sup> OF PRINCIPAL COMMODITIES

(Lakhs of Rupees)

Commodity	April-June 1961	July-Sept. 1961	Oct.-Dec. 1961	Jan.-March 1962	April- 1961-March 1962	April-June 1962	July-Sept. 1962	Oct.-Dec. 1962	Jan.-March 1963	April- 1962-March 1963
<i>Food</i>										
Total	34.35	63.83	65.94	49.90	2,14.02	38.15	64.27	71.56	61.28	2,35.26
Cashew kernel	4.91	5.22	3.63	4.41	18.17	4.97	4.32	4.77	5.30	19.36
Coffee	3.84	2.07	1.66	1.45	9.02	1.60	2.30	2.54	1.17	7.61
Tea (black)	13.54	39.93	43.46	24.47	1,21.40	13.88	41.23	42.99	30.12	1,28.22
Pepper (black)	1.77	1.21	1.37	3.73	8.08	1.63	1.31	1.61	2.02	6.57
Olive oil	2.73	4.16	4.33	6.10	17.32	6.01	6.40	8.55	10.83	31.79
Others	7.56	11.24	11.49	9.74	40.03	10.06	8.71	11.10	11.84	41.71
<i>Beverages and Tobacco</i>										
Total	6.67	2.11	1.49	4.72	14.99	7.60	4.93	2.17	4.18	18.88
Tobacco unmanufactured	6.39	1.81	1.28	4.57	14.05	7.44	4.75	1.92	3.89	18.00
Others	28	30	21	15	94	16	18	25	29	88
<i>Crude Materials, Inedible except Fuels</i>										
Total	32.22	25.94	28.85	31.37	1,18.38	27.42	25.47	26.10	32.74	1,11.73
Hides and skins (raw)	1.75	1.66	2.17	2.64	8.22	2.71	2.16	2.50	3.47	10.84
Wool and other animal hair	2.43	2.63	2.45	1.68	9.29	1.66	1.71	2.34	2.97	6.68
Cotton (raw and waste)	7.76	4.07	3.19	5.42	20.35	4.05	5.17	2.43	5.42	17.07
Mica	2.41	2.52	2.36	2.37	9.66	2.73	2.77	2.53	2.33	10.36
Iron ore (including concentrates)	4.04	3.32	5.25	4.80	17.41	4.66	3.58	5.13	6.45	19.82
Manganese ore (including concentrates)	2.81	2.30	2.90	2.43	10.44	2.37	1.77	1.73	2.01	7.88
Lac	83	1.17	1.45	1.16	4.68	1.14	1.25	1.12	1.29	4.60
Others	10.19	8.26	9.17	10.87	38.49	8.10	7.06	8.32	10.80	34.28
<i>Mineral Fuels Lubricants and Related Materials</i>										
Total	1.47	1.49	1.56	1.38	5.90	1.28	2.10	1.75	1.81	6.94
<i>Animal and Vegetable Oils and Fats</i>										
Total	2.38	1.38	88	1.85	6.49	2.70	2.88	2.64	5.51	13.73
Vegetable oils	2.20	1.28	60	1.74	5.82	2.52	2.71	2.56	5.38	13.17
Others	18	10	28	11	67	18	17	8	13	56
Chemicals: Total	1.98	2.02	2.14	1.69	7.83	2.09	2.11	1.62	2.07	7.89
<i>Manufactured Goods</i>										
Total	72.35	66.11	67.91	63.41	2,69.78	63.31	68.47	72.18	68.45	2,71.41
Leather	7.12	6.55	5.94	5.72	25.33	5.87	5.26	5.75	5.70	22.58
Cotton textiles	13.23	10.88	11.91	12.24	48.26	10.10	11.26	12.22	12.96	46.54
Jute textiles (Cloth & bags & sacks)	17.63	18.23	20.82	22.89	79.57	20.81	24.64	28.12	27.16	1,00.73
Woolen carpets and rugs	20.70	17.35	13.46	9.41	60.92	14.30	14.54	12.13	10.42	51.39
Art silk manufactures	1.10	1.16	1.07	.95	4.28	.95	1.06	1.13	1.20	4.34
Cement	34	32	19	5	90	8	12	7	1	28
Iron and steel	4.52	2.34	2.49	3.3	9.68	3.3	7.8	7.9	41	2.31
Others	6.26	7.21	10.04	9.92	33.42	8.58	8.56	9.56	9.07	35.77
Machinery and Transport Equipment: Total (b)	94	1,07	1.24	1.49	4.74	2.54	1.30	1.25	1.47	6.56
Total Exports (c)	1,56.92	1,68.04	1,74.16	1,61.22	6,60.34	1,50.12	1,75.75	1,84.42	1,83.40	6,93.69

(a) Include re-exports. (b) Of these, selected engineering goods (viewing machines, electric fans, diesel engines, dry batteries and bicycles) amounted to Rs. 2,00 lakhs during 1961-62 and Rs. 2,19 lakhs during 1962-63. (c) Include miscellaneous commodities but exclude value of articles under reference.

Note: Figures are provisional. The scope and coverage of the Statement are the same as those for Statement 71 except for the exclusion of treasure. Total figures shown in this Statement will not agree with those in Statement 71 as the former takes into account the latest revisions. Revisions in the total figures are carried out by the D. G. C. I. & S. as and when details become available. Exports and re-exports from Goa, Damian and Diu are excluded.

Source: *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

## STATEMENT 75—EXPORTS OF TEA (BLACK) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	April-June 1961	July-Sept. 1961	Oct.-Dec. 1961	Jan.-March 1962	April 1961-March 1962	April-June 1962	July-Sept. 1962	Oct.-Dec. 1962	Jan.-March 1963	April 1962-March 1963
<b>Africa</b>										
Egypt	..	1.42	2.07	2.43	2.67	8.59	1.91	1.54	2.99	2.45
Sudan	..	..	58	84	1.18	55	3.15	56	64	50
<b>America, North</b>										
Canada	..	..	49	1.28	88	1.06	3.71	57	1.05	97
U.S.A.	..	..	80	1.93	1.93	1.63	6.34	85	1.88	2.13
<b>America, South</b>										
Chile	..	..	8	13	5	9	35	7	4	4
<b>Asia</b>										
Afghanistan	..	..	20	17	18	24	79	17	28	46
Bahrain	..	..	4	6	6	6	22	4	4	3
Iran	..	..	—	1.03	69	90	2.62	17	67	1.75
Iraq	..	..	22	41	32	35	1.30	34	38	25
Kuwait	..	..	8	15	19	12	54	12	10	12
Saudi Arabia	..	..	1	2	3	3	9	1	2	2
Trucial Oman	..	..	13	13	20	15	61	9	9	12
<b>Europe</b>										
Germany, West	..	26	43	25	20	1.14	26	53	40	13
Irish Republic	..	..	19	1.00	1.33	95	3.47	23	1.39	1.87
Netherlands	..	..	22	27	20	26	95	32	54	52
Turkey	..	..	1	1.03	1.06	9	2.19	—	54	42
U.K.	..	..	7.67	25.10	27.91	12.63	73.36	6.49	27.20	24.23
<b>Oceania</b>										
Australia	..	..	21	17	38	47	1.23	49	75	73
New Zealand	..	..	8	9	5	6	28	7	9	8
<b>Communist Bloc</b>										
Czechoslovakia	..	..	3	1	1	—	5	1	1	7
Poland	..	..	—	—	—	11	11	5	25	15
U.S.S.R.	..	..	53	3.19	3.66	1.32	8.70	73	2.69	4.85
Other Countries	..	..	29	42	46	44	1.61	33	51	33
Total	..	13.54	39.93	43.45	24.43	1.21.40	13.88	41.23	42.99	30.12
										128.22

Source: *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

**STATEMENT 76—EXPORTS OF JUTE GOODS (BAGS AND CLOTH) TO PRINCIPAL COUNTRIES**

(Lakhs of Rupees)

Country	April-June 1961	July-Sept. 1961	Oct.-Dec. 1961	Jan.-March 1962	April 1961-March 1962	April-June 1962	July-Sept. 1962	Oct.-Dec. 1962	Jan.-March 1963	April 1962-March 1963
(Gunny Bags)										
Africa										
Egypt ..	..	64	52	39	42	1,97	39	46	83	37
Kenya ..	..	17	22	24	15	78	14	12	15	13
Mozambique ..	..	20	13	6	33	72	7	6	5	6
Nigeria ..	..	1,33	1,63	54	15	3,65	47	2,37	29	12
Sudan ..	..	12	79	2,19	37	3,47	2	40	1,95	13
Tanganyika ..	..	19	13	3	7	42	19	21	9	17
America, North										
U.S.A. ..	..	3,33	3,05	4	91	7,33	1,93	1,60	2	1,29
America, South										
Chile ..	..	13	45	53	29	1,40	17	20	39	29
Cuba ..	..	47	60	3,55	11	4,73	1	47	2,52	21
Peru ..	..	17	19	17	28	81	22	20	35	37
Asia										
Burma ..	..	63	2	8	47	1,22	17	38	22	22
Hongkong ..	..	4	2	5	2	13	1	—	1	3
Indonesia ..	..	2,71	14	15	37	3,37	2,16	9	20	78
Iraq ..	..	8	8	3	24	43	8	8	—	14
Philippines ..	..	7	6	9	—	22	2	3	8	4
Thailand ..	..	87	10	8	55	1,60	58	36	11	—
Europe										
Belgium ..	..	12	37	34	13	96	11	17	16	13
Germany, West ..	..	10	13	31	18	72	7	20	23	14
Netherlands ..	..	8	4	4	14	30	16	14	36	33
Turkey ..	..	1	6	—	5	12	19	33	27	35
U.K. ..	..	66	73	35	33	2,07	29	34	25	27
Oceania										
Australia ..	..	1,82	1,75	86	87	5,30	1,70	1,43	1,07	.88
New Zealand ..	..	59	1,11	35	17	2,22	33	69	25	6
Communist Bloc										
U.S.S.R. ..	..	1,60	2,04	16	20	4,00	1,39	1,37	32	57
Other Countries ..	..	4,54	2,99	2,83	2,60	12,96	3,42	2,84	1,94	3,35
Total (a) ..	..	20,69	17,35	13,46	9,40	60,90	14,29	14,54	12,11	10,41
(Gunny Cloth)										
Africa										
Egypt ..	..	27	31	30	9	97	5	21	35	10
America, North										
Canada ..	..	1,82	1,71	1,93	2,19	7,65	2,02	2,50	2,27	2,15
U.S.A. ..	..	9,51	9,41	12,53	12,49	43,94	10,82	11,69	16,29	16,76
America, South										
Argentina ..	..	60	1,21	60	2,36	4,77	1,55	3,21	1,87	1,75
Cuba ..	..	5	24	7	7	43	22	—	9	31
Uruguay ..	..	7	22	10	5	44	13	30	16	16
Asia										
Philippines ..	..	2	—	2	—	4	—	2	—	2
Europe										
Denmark ..	..	1	1	3	19	24	19	13	18	40
Germany, West ..	..	55	60	37	7	1,59	10	7	25	44
Turkey ..	..	11	54	23	22	1,10	47	79	79	51
U.K. ..	..	95	84	1,25	1,82	4,86	1,21	1,53	1,82	1,24
Oceania										
Australia ..	..	67	79	87	78	3,11	79	97	93	99
New Zealand ..	..	20	20	15	14	69	12	26	25	9
Communist Bloc										
U.S.S.R. ..	..	89	38	38	1	1,66	49	85	50	5
Other Countries ..	..	1,87	1,67	1,95	2,37	7,86	2,55	2,07	2,36	2,46
Total (a) ..	..	17,59	18,13	20,78	22,85	79,35	20,71	24,60	25,11	27,12
(a) Total figures in this Statement will not tally with figures for the item 'Jute textiles' shown in Statement 74 on 'India's Exports of Principal Commodities' owing to slight differences in coverage.										

Source : *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

**STATEMENT 77—EXPORTS OF COTTON PIECEGOODS TO  
PRINCIPAL COUNTRIES**

(Lakhs of Rupees)

Country	April-June 1961	July-Sept. 1961	Oct.-Dec. 1961	Jan.-March 1962	April 1961-March 1962	April-June 1962	July-Sept. 1962	Oct.-Dec. 1962	Jan.-March 1963	April 1962-March 1963
<b>Africa</b>										
Kenya ..	85	63	49	47	2,44	56	43	45	63	2,07
Nigeria ..	37	21	20	17	1,05	12	18	19	23	72
Sudan ..	60	52	87	73	2,72	50	66	1,35	44	2,95
Tanganyika ..	50	52	30	35	1,67	37	33	25	24	1,19
<b>America, North</b>										
Canada ..	37	4*	43	39	1,66	48	46	38	36	1,68
U.S.A. ..	22	15	45	53	1,35	50	1,07	1,89	2,58	6,03
<b>Asia</b>										
Aden ..	48	53	70	53	2,24	35	42	34	36	1,47
Afghanistan ..	57	32	10	16	1,15	38	50	47	38	1,73
Burma ..	25	31	8	8	72	17	20	12	42	91
Ceylon ..	74	74	83	80	3,11	82	53	13	19	1,67
Malaya (including Singapore) ..	92	91	81	71	3,35	56	85	60	63	2,64
<b>Europe</b>										
Belgium ..	9	8	2	2	21	5	4	1	4	14
Germany, West ..	13	6	8	1	28	3	9	5	13	36
Netherlands ..	11	6	2	2	21	1	2	1	3	7
U.K. ..	3,40	2,14	2,40	3,49	11,42	2,13	2,57	2,97	3,18	11,03
<b>Oceania</b>										
Australia ..	57	48	75	81	2,61	67	90	82	80	3,19
Other Countries ..	3,14	2,78	3,24	2,58	12,04	2,13	1,93	2,04	2,31	8,41
Total (*) ..	13,31	10,91	11,87	12,14	45,23	10,01	11,18	12,07	12,95	46,21

(\*) Total figures in this Statement will not tally with the figures for the item 'Cotton Textiles' shown in Statement 74 on 'India's Exports of Principal Commodities' owing to slight differences in coverage.

Source : *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

**STATEMENT 78—CURRENT RATES OF EXPORT DUTIES**

Item	Unit	Rate of Duty	Effective from
Cotton raw(a)	Bale of 181-44 Kgs.	Ranging from Rs. 25 to Rs. 125 50% ad valorem	October 1, 1960
Cotton waste (all sorts)	—	15% ad valorem	March 16, 1952
Jute raw : Cuttings	Bale of 181-44 Kgs.	Rs. 4.50	November 29, 1957
" : Others	Flask of 34-02 Kgs.	Rs. 15	April 1, 1947
Mercury	Metric ton	Rs. 300	October 8, 1952
Lac : Seedlac, shelllac, buttonlac, garnetlac	Quintal	Rs. 160	October 6, 1961
" : Others	Quintal	Rs. 125	October 6, 1961
Rice(b)	Quintal	Rs. 35	July 12, 1957

(a) Certain varieties like 'Asian Comilla' cotton are exempted from export duty. (b) Hulled or unhusked including rice flour but excluding rice bran and rice dust.

**STATEMENT 79—INLAND AND FOREIGN BILLS PURCHASED  
AND DISCOUNTED BY SCHEDULED BANKS**

(Amount in Crores of Rs.)

As on the last Friday of	No. of reporting Banks	INLAND BILLS			FOREIGN BILLS			Total Inland and Foreign Bills purchased and discounted		
		Purchased	Discounted	Total	Export Bills drawn in India (in approved currencies)	Import Bills drawn on and payable in India (in approved currencies)	Other foreign Bills purchased and discounted			
	1	2	3	4	5	6	7	8	9	
1955	..	87	38.91	30.76	69.67	32.13	16.01	..	48.14	117.81
1956	..	86	43.42	63.35	106.77	29.05	27.03	..	56.08	162.85
1957	..	91	50.69	48.66	99.35	28.82	19.16	..	47.98	147.33
1958	..	92	48.35	33.46	81.81	28.75	12.70	..	41.45	123.26
1959	..	94	65.36	37.75	103.11	39.03	10.46	..	49.49	152.60
1960	..	93	73.44	35.05	108.49	37.53	15.03	..	52.56	161.05
1961	..	82	86.77	56.92	143.69	31.03	11.56	0.42	43.31	187.00
1962	..	79	89.32	68.12	157.44	39.90	14.06	1.23	55.19	212.63
1961										
March	..	87	91.18	57.64	143.82	45.11	14.97	..	60.08	208.90
June	..	83	73.69	40.40	114.09	36.48	18.73	..	55.21	169.30
September	..	82	70.80	52.60	123.40	34.04	13.97	0.22	48.23	171.63
December	..	82	86.77	56.92	143.69	31.03	11.86	0.42	43.31	187.00
1962										
March	..	80	93.33	85.82	179.15	36.02	13.45	0.72	50.19	229.34
June	..	80	80.80	43.79	124.59	31.35	12.08	0.73	44.16	168.75
September	..	80	82.75	67.83	150.58	35.16	13.14	0.89	49.19	199.77
December	..	79	89.32	68.12	157.44	39.90	14.06	1.23	55.19	212.63

## STATEMENT 80—STERLING TRANSACTIONS OF THE RESERVE BANK OF

## FORWARD CONTRACTS

		Purchases (a)		Sales (b)		Net Purchases (+) Sales (-)		
		£ thousands	Rs. lakhs	£ thousands	Rs. lakhs			
1	1950-51	..	344,098	458,80	21,526	28,73	— 322,572	— 439,07
2	1955-56		98,150	130,87	4,985	6,64	— 93,165	— 124,23
3	1956-57		91,420	121,90	11,130	14,65	— 80,290	— 107,05
4	1957-58		42,022	56,05	29,525	39,40	— 12,497	— 16,65
5	1958-59		44,226	58,97	17,610	23,50	— 26,616	— 35,47
6	1959-60		34,235	45,64	350	47	— 33,885	— 45,17
7	1960-61		20,295	27,00	1,600	2,14	+ 18,095	+ 24,94
8	1961-62		45,184	60,23	1,560	2,07	+ 43,624	+ 58,16
9	1962-63		20,150	26,87	5,420	7,22	— 14,730	— 19,65
10	April	1961	1,95	26	100	13	+ 95	— 13
11	May	" ..	440	59	35	5	+ 405	+ 54
12	June	" ..	6,715	8,95	90	12	+ 6,625	+ 8,83
13	July	" ..	6,330	8,44	—	—	+ 6,330	+ 8,84
14	August	" ..	8,424	11,23	25	3	+ 8,399	+ 11,20
15	September	" ..	3,730	4,97	—	—	+ 3,730	+ 4,97
16	October	" ..	355	47	—	—	+ 355	+ 47
17	November	" ..	2,830	3,77	250	33	+ 2,580	+ 3,44
18	December	" ..	7,450	9,93	25	3	+ 7,425	+ 9,90
19	January	1962	2,665	3,55	865	1,15	+ 1,800	+ 2,49
20	February	" ..	3,660	4,88	—	—	+ 3,660	+ 4,88
21	March	" ..	2,390	3,19	170	23	+ 2,220	+ 2,96
22	April	" ..	780	1,04	25	3	+ 755	+ 1,01
23	May	" ..	1,985	2,65	—	—	+ 1,985	+ 2,65
24	June	" ..	1,065	1,42	2,095	2,79	— 1,030	— 1,37
25	July	" ..	655	87	720	96	— 65	— 9
26	August	" ..	2,860	3,81	175	23	+ 2,685	+ 3,53
27	September	" ..	1,460	1,95	200	27	— 1,260	— 1,68
28	October	" ..	4,065	5,42	175	23	— 3,890	— 5,19
29	November	" ..	815	1,09	105	14	— 710	— 95
30	December	" ..	1,170	1,56	500	67	— 670	+ 89
31	January	1963	2,330	3,11	150	20	— 2,180	+ 2,91
32	February	" ..	1,750	2,33	850	1,13	— 900	+ 1,20
33	March	" ..	1,215	1,62	425	57	— 790	+ 1,05

Note : Rate for both forward and spot purchases is 1 sh. 6 d.; rates for forward and spot sales are 1 sh. 5-31-32 and 1 sh. 5-63-64 d., respectively. Totals may not add up owing to rounding and conversion.

(a) Includes cancellations of forward sale contracts. (b) Includes cancellations of forward purchase contracts.

## INDIA (EXCLUDING GOVERNMENT TRANSACTIONS)

## DELIVERIES

Spot Transactions				Against Forward Contracts				Total Deliveries	
Purchases		Sales		Purchases		Sales		Net Purchases (+)	Sales (-)
£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs
1,075	1,43	88,092	117,56	216,974	289,30	730	97	+ 129,227	+ 172,20
10,015	13,36	68,404	91,29	97,230	129,65	—	—	+ 38,841	+ 51,72
4,360	5,82	213,003	284,25	65,140	86,83	800	1,07	- 144,303	- 192,67
2,800	3,73	129,298	172,53	51,627	68,83	14,425	19,26	- 89,296	- 119,23
12,046	16,05	38,367	51,20	47,437	63,23	10,755	14,36	+ 10,361	+ 13,72
23,999	32.01	18,227	24,32	37,309	49,73	130	18	+ 42,951	+ 57,24
9,830	13,10	60,862	81,22	21,480	28,63	1,250	1,66	- 30,802	- 41,15
2,425	3,21	78,649	104,97	36,084	48,10	225	30	- 40,365	- 53,94
30,210	40,28	70,216	93,69	27,335	37,51	3,530	4,72	- 16,201	- 20,62
—	—	12,885	17,20	500	66	150	20	- 12,535	- 16,74
35	5	8,420	11,24	815	1,08	—	—	- 7,570	- 10,11
—	—	10,450	13,95	925	1,23	—	—	- 9,525	- 12,72
22	3	10,095	13,46	515	69	—	—	- 9,548	- 12,74
—	—	9,639	12,89	370	49	—	—	- 9,289	- 12,40
325	43	5,475	7,30	2,825	3,77	50	7	- 2,375	- 3,17
—	—	5,310	7,09	4,215	5,62	25	3	- 1,120	- 1,50
100	13	2,430	3,24	4,310	5,75	—	—	+ 1,980	+ 2,64
490	60	1,205	1,61	7,605	10,14	—	—	+ 6,850	+ 9,13
875	1,17	5,930	7,91	3,824	5,10	—	—	- 1,231	- 1,64
400	53	2,180	2,91	6,195	8,26	—	—	+ 4,415	+ 5,88
218	29	4,620	6,17	3,985	5,31	—	—	- 417	- 57
100	13	9,736	12,99	735	93	—	—	- 8,901	- 11,88
—	—	11,925	15,91	2,165	2,89	—	—	- 9,760	- 13,02
—	—	14,945	19,94	3,010	4,01	225	30	- 12,160	- 16,23
—	—	10,440	13,93	2,535	3,38	1,860	2,48	- 9,765	- 13,03
30	4	6,715	8,96	2,545	3,39	1,070	1,43	- 5,210	- 6,96
575	77	4,475	5,97	1,190	2,65	50	7	- 2,760	- 2,62
—	—	6,985	9,32	860	1,15	275	37	- 6,400	- 8,54
—	—	2,680	3,58	1,755	2,34	—	—	- 925	- 1,24
2,065	2,75	1,885	2,52	6,455	8,61	—	—	+ 6,635	+ 8,84
1,325	1,77	1,30	17	1,890	2,52	50	7	+ 3,035	+ 4,05
16,065	21.42	80	11	2,205	2,94	—	—	+ 18,190	+ 24,25
10,030	13,40	220	29	1,990	2,65	—	—	+ 11,820	+ 15,76

**STATEMENT 31—EXTERNAL ASSISTANCE : AUTHORISED AND UTILISED**

(Crores of Rupees)

	Authorisation upto the end of First Plan	Utilisation upto the end of First Plan	Authorisation available during the period of utilisation after 31st March 1961	Total Utilisation during the period of utilisation after 31st March 1961	Utilisation during the period of utilisation after 31st March 1961 to the end of Second Plan		Total Utilisation during the period of utilisation after 31st March 1961 to the end of April 1963	Authorisation available during the period of utilisation after 31st March 1961 to the end of March 1963	Total Utilisation during the period of utilisation after 31st March 1961 to the end of April 1963	
					1	2	3	4	5	6
<b>I. Loans</b>										
A. Repayable in Foreign Countries										
I. From International Institutions										
(i) I.M.F.D. I loans	..	..	57.3	35.8	23.5	262.7	286.2	222.8	63.4	69.3
(ii) I.M.F.D. I loans	..	..	..	..	..	—	—	—	133.3	133.3
II. From Foreign Countries										
(i) From the U.S.A.	..	..	90.3	90.3	..	108.5	108.5	36.8	71.7	161.2
(ii) Wheat Loan of 1951	..	..	90.3	90.3	..	..	102.6*	102.6	30.9	71.7
(iii) Standard Bank for Import of Machinery and Credit of Goods**	..	..	..	..	..	..	5.9	5.9	..	27.1
(iv) U.S. Bank* loans to All India, A.I.D., I.I.S., etc.	..	..	..	..	..	..	..	..	..	..
III. From Canada	..	..	..	..	..	..	15.7	45.7	15.7	11.0
(i) Wheat Loans	..	..	..	..	..	..	15.7	15.7	..	..
(ii) Import of Capital Equipment	..	..	..	..	..	..	..	..	11.0	..
IV. From the U.K.	..	..	..	..	..	..	..	..	..	11.0
(a) Lazard Bros' Credit (long-term)	..	..	..	..	..	..	..	..	..	..
(b) P.C.I.D. I (June 1958)	..	..	..	..	..	..	122.6	122.6	0.0	126.6
(c) P.C.I.D. II (December 1958)	..	..	..	..	..	..	15.3	15.3	..	..
(d) U.K.-India Oil Pipe Line (June 1959)	..	..	..	..	..	..	20.0	20.0	..	..
(e) I.C.I.D. III (November 1959)	..	..	..	..	..	..	36.0	38.0	..	..

**BALANCE OF PAYMENTS**

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(f) E.C.G.D. IV (August 1960) .....	-	-	-	-	-	-	-
(g) E.C.G.D. V (December 1960) .....	-	-	-	-	-	-	-
(h) E.C.G.D. VI (May 1961) .....	-	-	-	-	13.3	13.3	13.3
(i) E.C.G.D. VII (May 1961) .....	-	-	-	-	40.0	40.0	18.3
(j) E.C.G.D. VIII (November 1961) .....	-	-	-	-	6.7	6.7	6.7
(k) E.C.G.D. IX (May 1962) .....	-	-	-	-	13.3	13.3	6.6
(l) E.C.G.D. X (May 1962) .....	-	-	-	-	29.3	29.3	6.7
(m) E.C.G.D. XI (September 1962) .....	-	-	-	-	6.7	6.7	-
(n) E.C.G.D. XII (September 1962) .....	-	-	-	-	17.3	17.3	0.3
<b>(iv) From West Germany .....</b>	<b>-</b>	<b>-</b>	<b>133.9</b>	<b>113.9</b>	<b>119.7</b>	<b>14.2</b>	<b>126.1</b>
(a) Credit for Rourkela Steel Plant of February 1958 .....	-	75.5@	75.5	61.3	14.2@	-	14.2
(b) Credit of January 1959 .....	-	19.0	19.0	-	-	-	-
(c) Credit of May 1960 .....	-	14.1	14.1	-	-	-	-
(d) Credit of November 1960 .....	-	14.1	14.1	-	-	-	-
(e) Credit of January 1961 .....	-	11.2	11.2	-	-	-	-
(f) Credit of April 1961 .....	-	-	-	-	27.4	27.4	-
(g) Credit of April 1961 .....	-	-	-	-	11.9	11.9	-
(h) Credit of September 1961 .....	-	-	-	-	20.2	20.2	-
(i) Credit to H.S.L. of January 1962 .....	-	-	-	-	0.5	0.5	0.3
(j) Credit of May 1962 .....	-	-	-	-	10.1	10.1	-
(k) Credit of June 1962 .....	-	-	-	-	11.9	11.9	-
(l) Credit of December 1962 .....	-	-	-	-	44.1	44.1	-
<b>(v) From Japan .....</b>	<b>-</b>	<b>35.5</b>	<b>35.5</b>	<b>16.0</b>	<b>19.5</b>	<b>42.9</b>	<b>62.4</b>
(a) 18 billion yen Credit of February 1958 .....	-	23.1	23.1	16.0	7.1	-	7.1
(b) Loan for Orissa Iron Ore Project .....	-	-	-	3.8	-	3.8	1.8
(c) 28.8 billion yen Credit of August 1961 .....	-	-	-	-	38.1	38.1	2.0
(d) Adhos Credit of 1959 .....	-	-	8.6	8.6	8.6	8.6	31.8
(e) Suppliers' Credit for Textile Machinery of 1962 .....	-	-	-	-	-	4.8	4.8
<b>(vi) From the U.S.S.R. .....</b>	<b>-</b>	<b>64.7</b>	<b>319.0</b>	<b>383.7</b>	<b>75.0</b>	<b>308.7</b>	<b>56.8</b>
(a) Credit for Bhilai Steel Plant .....	-	64.7	-	64.7	-	-	-
(b) Credit for Industrial Enterprises .....	-	59.5	59.5	8.1	51.4	-	51.4
(c) Credit for Manufacture of Drugs .....	-	9.5	9.5	-	9.5	-	9.5
(d) Credit for Barauni Oil Refinery .....	-	11.9	11.9	0.4	11.5	-	11.5

STATEMENT 9.—EXTERNAL ASSISTANCE : AUTHORISED AND UTILISED—(Contd.)

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Credited to date											Estimated Undisbursed utilisation
Authorisation upto the end of First Plan	Bills issued upto the end of First Plan	Authorisation issued upto the end of First Plan	Total available for utilisation after the Second Plan	Utilisation hitherto as at the end of March 1956	Utilisation during the period from April 1956 to March 1957	Utilisation available for use after the end of March 1957	Estimated utilisation upto the end of First Plan	Estimated utilisation upto the end of First Plan	Estimated utilisation upto the end of First Plan	Estimated utilisation upto the end of First Plan	Estimated utilisation upto the end of First Plan
-	-	-	-	-	-	-	-	-	-	-	-
-	1	2	3	4	5	6	7	8	9	10	11
(i) Credit for Third Plan - 11	-	-	178.6	178.6	1.8	176.8	-	176.8	21.9	142.9	
(ii) Credit for Third Plan - 11	-	-	39.3	39.3	-	39.3	-	39.3	0.5	39.0	
(iii) From Switzerland	-	-	12.0	12.0	-	12.0	-	12.0	0.2	11.8	
(iv)	From France	-	-	-	-	-	-	28.6	28.6	28.6	
(a) Credit for Third Plan - 11 (30 million)	-	-	-	-	-	-	14.1	14.1	-	14.1	
(b) Credit for Third Plan - 11 (20 million)	-	-	-	-	-	-	9.3	9.3	-	9.3	
(c) Credit in FFC (10 million)	-	-	-	-	-	-	4.8	4.8	-	4.8	
(d) From Italy	-	-	-	-	-	-	-	23.0	23.0	23.0	
(e) f N.C. Credit of 145 million (August 1961)	-	-	-	-	-	-	21.4	21.4	0.2	21.2	
(f) Montreal Credit for Abidjan plant	-	-	-	-	-	-	4.2	4.2	-	4.2	
(g)	From Poland	-	-	14.3	14.3	11.3	15.4	29.8	0.6	29.2	
(h) Credit of May 1960	-	-	14.3	14.3	14.3	14.3	14.3	14.3	0.6	13.7	
(i) Credit of November 1962	-	-	-	-	-	-	15.5	15.5	-	15.5	
(ii)	From Argentina	-	-	19.0	19.0	19.0	-	-	-	-	
(ii)	From Pakistan	-	-	-	23.4	21.1	23.1	-	-	-	
(iii) From Austria	-	-	-	-	-	-	-	-	-	-	
(iv) From Belgium	-	-	-	-	-	-	-	-	-	-	
Total A	-	-	212.3	124.4	83.2	1,060.3	1,121.5	667.8	16.7	99.1	1,096.0
B. Repayable in Repairs from the P.S.A.	-	-	-	-	-	-	-	-	-	-	1,032.9
(i) From U.S.S.R.	-	-	-	-	-	-	-	-	-	-	
(ii) From Germany	-	-	-	-	-	-	-	-	-	-	
(iii) From India	-	-	-	-	-	-	-	-	-	-	
(iv) Total Credit for Darjeeling project from the Budget	-	-	-	9.0	9.0	-	-	-	-	-	

(c) Loans under T C.A. (excluding P.L. 665)	19.6	2.3	12.3	27.6	39.9	39.9	-	-
Total B	..	14.6	2.3	12.3	233.2	245.5	116.8	174.9
Total I (A+B)††	..	226.9	126.4	103.5	1,299.5	1,400.0	724.6	675.4
II. Grants								
(i) From the U.S.A. @ ②	91.8	44.3	47.5	54.6	102.1	85.6	16.5	11.4
(a) T.C.A. (Excluding P.L. 665)	86.2	42.0	44.2	44.1	88.3	76.2	12.1	10.2
(b) Ford Foundation	5.6	2.3	3.3	10.5	13.5	9.4	4.4	1.2
(ii) From Colombo Plan Countries	45.5	25.2	20.3	62.1	82.4	71.0	11.4	25.1
(a) Canada	32.3	19.7	12.6	57.8	70.4	60.3	10.1	22.4
(b) Australia	11.1	5.2	5.9	2.2	8.1	7.4	0.7	2.7
(c) New Zealand	1.7	0.3	1.4	1.7	3.1	2.9	0.2	0.2
(d) United Kingdom	0.4	-	0.4	0.4	0.8	0.4	-	0.4
(iii) From West Germany	-	-	-	2.1	2.1	0.6	1.5	-
(iv) From Norway	0.7	0.7	-	1.9	1.9	-	1.0	1.0
(v) From the U.S.S.R.	-	-	-	1.2	1.2	-	-	-
Total II††	138.0	70.2	67.8	121.9	159.7	160.3	29.4	37.5
III. Other Assistance								
(i) P.L. 450 (Gross)	-	-	1,113.0	1,113.0	515.5	597.5	43.3	640.8
(ii) P.L. 665 (Gross)	16.9	5.1	11.8	15.0	26.8	26.8	-	210.4
(iii) Third Country Currency Assistance from the U.S.A.	-	-	-	-	-	-	-	-
Total III	16.9	5.1	11.8	1,130.8	1,142.6	541.8	597.8	641.1
Grand Total (I+II+III)	381.8	201.7	180.1	2,552.2	2,732.3	1,459.7	1,302.6	2,076.3
								2,378.9
								784.9
								1,594.0

Notes: 1. The data presented here are not comparable with those incorporated in the balance of payments because of differences in source, coverage, etc.  
 2. Assistance under P.L. 450 and P.L. 665 are shown here on a gross basis representing the rupees deposited against the value of goods received from time to time.

\*Includes two loans to the Air India by Erumbank and the Boeing Co. of the U.S.A.

†Of this, Rs. 23.8 crores is earmarked for the use of projects included in the Third Plan.

‡Undisbursed amount in the case of West German Rourkela Credit has been raised by 5% to take into account the revaluation of D.M. in March 1961. To the same extent loan authorisation figure has also been raised.

††Excludes for the use of projects included in the Third Plan.

††Excludes Loans and Grants received by Government of India out of the U.S.P.L. 450 (Title I) and P.L. 665 funds.

② Excludes grants under P.L. 450 Titles II and III as they do not strictly form a part of the assistance for Plan projects and programmes.

## STATEMENT 62—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS

STATEMENT 62—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS										
										(Crates of Rupees)
Sector	Authorisation upto the end of First Plan	Utilisation upto the end of First Plan	Undrawn authorisation at the end of First Plan	Total available during the utilisation of First Plan	Utilisation available during the utilisation of Second Plan	Undrawn authorisation at the end of the utilisation of Second Plan	Total available during the utilisation of April 1961 to March 1963	Utilisation available during the utilisation of April 1961 to March 1963	Utilisation available during the utilisation of April 1961 to March 1963	Utilisation available during the utilisation of April 1961 to March 1963
<b>I. Railway Development (i) I.R.D.</b>	—	—	—	—	—	—	—	—	—	—
(a) Railways-I	—	—	—	—	—	—	—	—	—	—
(b) Railways-II	—	—	—	—	—	—	—	—	—	—
(c) Railways-III	—	—	—	—	—	—	—	—	—	—
(d) Railways-IV	—	—	—	—	—	—	—	—	—	—
(e) Railways-V	—	—	—	—	—	—	—	—	—	—
(f) Railways-VI	—	—	—	—	—	—	—	—	—	—
(g) D.E.C.L.D.	—	—	—	—	—	—	—	—	—	—
(h) Railways-I	—	—	—	—	—	—	—	—	—	—
(i) Railways-II	—	—	—	—	—	—	—	—	—	—
(j) Railways-III	—	—	—	—	—	—	—	—	—	—
(k) Railways-IV	—	—	—	—	—	—	—	—	—	—
(l) D.E.C. credit for Railways*	—	—	—	—	—	—	—	—	—	—
<b>Total I.R.D.</b>	—	—	—	—	—	—	—	—	—	—
<b>II. Power Projects</b>	—	—	—	—	—	—	—	—	—	—
<b>(i) I.I.R.D.</b>	—	—	—	—	—	—	—	—	—	—
(a) D.V.C.	1	—	Public	8.0	8.0	—	—	—	—	—
(b) D.V.C.	11	—	Public	5.0	2.0	3.0	—	—	—	—
(c) D.V.C.	11	—	Public	—	—	—	—	—	—	—
(d) Hydro	1	—	Private	—	—	—	—	—	—	—
(e) Hydro	11	—	Private	6.6	2.1	4.5	4.5	4.5	4.5	4.5
(f) Hydro	11	—	Private	—	—	—	—	—	—	—
(g) Koyra	—	—	Public	—	—	—	—	—	—	—
<b>(ii) J.P.J.</b>	—	—	—	—	—	—	—	—	—	—
Dhargun Power Station	—	—	Public	—	—	—	—	—	—	—
Kosra Power Project	—	—	Public	—	—	—	—	—	—	—
Power Development	—	—	Public	—	—	—	—	—	—	—
(h) Chittagong	—	—	Public	—	—	—	—	—	—	—
(i) Sylhet	—	—	Public	—	—	—	—	—	—	—
(j) Dumper	—	—	Public	—	—	—	—	—	—	—
(k) Moulviabad Electricity Co.	—	—	Public	—	—	—	—	—	—	—

(x) Kanpur	..	Public	..	0.7	0.7	0.5
(h) Bangalore	..	Public	..	1.2	1.2	1.0
(i) Talcher	..	Public	..	..	15.7	15.6
(j) Birsinghpur	..	Public	..	..	4.0	3.8
(k) Sharavathi II	..	Public	..	..	8.8	8.8
(l) Cambay Power	..	Public	..	..	16.0	10.3
(m) Bandel Power	..	Public	..	..	18.1	2.6
(n) Pambakkali	..	Public	..	..	19.6	15.5
(o) Trombay Power	..	Private	..	..	8.5	9.6
(p) Delhi Power	..	Public	..	..	8.5	0.8
(q) Salarpuria Power	..	Public	..	..	7.6	7.6
Total II	..	..	..	..	11.9	11.9
III. Steel and Steel Projects	..	..	..	..	157.8	123.8
(i) I.B.R.D.	..	..	..	..	..	..
(a) I.I.S.C. Co. I	..	Private	13.9	2.8	11.1	1.0
(b) I.I.S. Co. II	..	Private	..	..	9.5	0.2
(c) I.I.S.C. Co. III	..	Private	..	..	35.7	9.3
(d) I.I.S.C. Co. IV	..	Private	..	..	15.5	..
(e) I.I.S.C. Co. V	..	Private	..	..	64.7	..
(f) I.I.S.C. Co. VI	..	Private	..	..	61.3	..
(g) Bhilai	..	Public	64.7	..	14.2@⑩	2.7
(h) Rourkela	..	Public	..	..	..	..
(i) Durgapur	..	Public	..	..	..	..
(d) E.C.G.D. (June 1958)	..	Public	..	..	..	..
(b) Lazard Bros. Credit	..	Public	..	..	..	..
(c) E.C.G.D.X (May 1962)	..	Public	..	..	..	..
(v) D.L.F./A.I.D.	..	..	..	..	..	..
(a) Steel Loan I	..	Public	..	..	..	..
(b) Steel Loan II	..	Public & }	..	..	..	..
(c) Steel Loan III	..	Public & }	..	..	..	..
(d) Steel Loan IV	..	Public & }	..	..	..	..
Total III	..	..	78.6	2.8	211.7	254.2
IV. Orissa Iron Ore Project	..	Public	..	..	..	..
(a) U.S.A.	..	Public	..	..	..	..
(b) Japan	..	Public	..	..	..	..
Total IV	..	..	..	..	..	..
V. Ports Development	..	..	..	..	..	..
(i) I.B.R.D.	..	..	..	..	..	..
(a) Calcutta Port I and II	..	Public	..	..	..	..
(b) Madras Port	..	Public	..	..	..	..
(ii) I.D.A. credit for Bombay Port	..	Public	..	..	..	..
Total V	..	..	..	..	..	..
VI. Transport and Communications	..	..	..	..	..	..
(i) I.B.R.D.	..	..	..	..	..	..
(a) Calcutta Port I and II	..	Public	..	..	..	..
(b) Madras Port	..	Public	..	..	..	..
(ii) I.D.A. credit for Bombay Port	..	Public	..	..	..	..
Total VI	..	..	..	..	..	..
Transport and Communications	..	..	..	..	..	..
(i) I.B.R.D. loan to Air India	..	Public	..	..	..	..
(ii) U.S. Banks' loans to Air India Public	..	Public	..	..	..	..
(iii) D.L.F. loan for Road Transport Private	..	Public	..	..	..	..
(iv) S.S. Eximbank loans to Air India @	..	Public	..	..	..	..

**STATEMENT 82—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(Contd.)**



**STATEMENT 82—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(Contd.)**

## BALANCE OF PAYMENTS

(b) Montecatini Credit for Aluminiuim Plant ... " Public & " Private }	-	-	-	-	-	-	4·2	4·2	-	4·2	-
(ix) Credit from Czechoslovakia* " Public & " Private }	-	-	23·1	23·1	-	19·0	-	23·1	-	23·1	-
(x) Credit from Yugoslavia* " Public & " Private }	-	-	19·0	19·0	-	19·0	-	19·0	-	19·0	-
(xi) Credits from Poland " Public & " Private }	-	-	14·3	14·3	-	14·3	15·5	29·8	0·6	29·2	-
(xii) Credit from Switzerland " Public & " Private }	-	-	12·0	12·0	-	12·0	-	12·0	0·2	11·8	-
(xiii) Loan from Canada " Public & " Private }	-	-	-	-	-	-	-	11·0	11·0	-	11·0
(xiv) Credit from Austria " Public & " Private }	-	-	-	-	-	-	-	2·4	2·4	-	2·4
(xv) Credit from Belgium " Public & " Private }	-	-	-	-	-	-	-	4·8	4·8	-	4·8
Total VII ... ...	19·4	2·3	17·1	755·3	772·4	255·1	517·3	623·5	1,140·8	312·0	808·8
<b>VIII. Agricultural Development</b>											
(i) I.B.R.D. loan for Agriculture .. Public	3·4	3·4	-	-	-	-	-	-	0·5	0·5	2·4
(ii) I.D.A.	-	-	-	-	-	-	-	3·8	2·1	0·3	3·4
(a) U.P. Tubewells .. " Public	-	-	-	-	-	-	-	-	4·8	1·5	3·3
(b) Salandi Irrigation .. " Public	-	-	-	-	-	-	-	-	7·1	0·3	6·8
(c) Sherauli Irrigation .. " Public	-	-	-	-	-	-	-	-	6·2	1·3	4·9
(d) Purnia Drainage .. " Public	-	-	-	-	-	-	-	-	26·9	4·3	22·6
(e) Some Irrigation .. " Public	-	-	-	-	-	-	-	-	-	-	-
(f) Purna Irrigation .. " Public	-	-	-	-	-	-	-	-	-	-	-
Total VIII ... ...	3·4	3·4	-	-	-	-	-	-	-	-	-
<b>IX. Wheat Losses</b>											
(i) U.S.A. ... ... " Public	90·3	90·3	-	-	15·7	15·7	-	-	-	-	-
(ii) Canada ... ... " Public	-	-	-	-	15·7	15·7	-	-	-	-	-
Total IX ... ...	90·3	90·3	-	-	15·7	15·7	-	-	-	-	-
<b>Grand Total</b> ... ...	226·9	126·5	100·4	1,288·4	1,288·8	713·5	675·3	957·8	1,633·1	502·8	1,130·3

Notes: 1. Loans and Credits are classified purpose-wise and sector-wise on a very rough basis.

2. West German credits of D.M. 210 million(Rs. 27·4 crores) of April 1961 and D.M. 85 million (Rs. 10·1 crores) of May 1962 authorised for the purpose of meeting repayment liabilities arising out of Rourkela credit have been excluded.

③ Undisbursed amount in the case of West German Rourkela Credit has been raised by 5 per cent to take into account the revaluation of D.M. in March 1961.

④ To the same extent the loan authorisation figure has also been raised.

⑤ Includes two loans to Air India by the Boeing Co. of the U.S.A.

\* Earmarked for use of the projects included in the Third Plan.

† Of this, Rs. 23·8 crores is earmarked for use of the projects included in the Third Plan.

## STATEMENT 83—INDIA CURRENCY IN CIRCULATION (a)

(Lakhs of Rupees)

Last Friday	Circulation				Increase (+) or decrease (-) in circulation (b)			
	Notes (c)	Rupee coin (d)	Small coin (e)	Total (1+2+3)				
					1	2	3	4
1950-51	...	...	1,204.24	130.02	75.76	1,410.02	—	83.89
1955-56	...	...	1,423.47	122.26	65.79	1,611.52	—	189.55
1956-57	...	...	1,482.92	117.88	66.24	1,667.04	+	59.45
1957-58	...	...	1,535.96	116.99	66.94	1,719.89	+	53.04
1958-59	...	...	1,658.36	121.42	66.66	1,846.44	+	122.40
1959-60	...	...	1,801.73	131.22	68.15	2,001.10	—	143.37
1960-61	...	...	1,941.57	141.69	71.02	2,154.28	+	139.84
1961-62	...	...	2,027.13	150.18	78.95	2,256.26	+	85.56
1962-63	...	...	2,198.79	156.17	83.73†	2,438.69†	—	171.66
April	1961	...	1,939.26	141.07	72.04	2,155.37	—	2.31
May	"	...	1,920.07	147.47	72.97	2,140.51	—	19.19
June	"	...	1,890.24	145.82	73.29	2,109.35	—	29.83
July	"	...	1,847.59	142.52	73.78	2,063.89	—	42.65
August	"	...	1,834.22	140.67	74.14	2,049.03	—	13.37
September	"	...	1,814.07	137.98	74.68	2,026.73	—	20.15
October	"	...	1,839.08	139.39	75.08	2,053.55	+	25.01
November	"	...	1,859.50	142.06	75.66	2,077.22	+	20.42
December	"	...	1,900.49	143.68	76.27	2,120.44	+	40.99
January	1962	...	1,937.43	145.12	76.92	2,159.47	+	36.94
February	"	...	1,984.25	147.60	77.58	2,209.43	+	46.82
March	"	...	2,027.13	150.18	78.95	2,256.26	+	42.88
April	"	...	2,079.87	152.83	79.87	2,312.57	+	52.74
May	"	...	2,078.68	157.56	80.82	2,317.06	—	1.19
June	"	...	2,033.51	156.21	81.33	2,271.05	—	45.17
July	"	...	1,993.56	151.96	81.81	2,237.33	—	39.95
August	"	...	1,968.21	148.14	82.07	2,198.42	—	25.35
September	"	...	1,968.31	146.72	82.24	2,197.27	+	10
October	"	...	2,006.05	149.54	82.84	2,238.43	+	37.74
November	"	...	2,028.14	147.73	83.22	2,259.09	+	22.09
December	"	...	2,077.11	148.41	83.73†	2,309.25†	+	48.97
January	1963	...	2,121.68	150.95	83.73†	2,356.36†	+	44.57
February	"	...	2,151.31	154.57	83.73†	2,389.61†	+	29.63
March	"	...	2,198.79	156.17	83.73†	2,438.69†	—	47.48
							—	1.60

Note: Figures relate to India currency (for data relating to India and *Hall Sicea* currency, please see Statement 26).

(a) Includes India currency in circulation outside India. (b) The figures are not adjusted to take account of net inward or outward movements of currency. (c) Figures are net of the return of about Rs. 43 crores from Pakistan awaiting adjustment but allows for the special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.55 crore in June 1961) withdrawn from Kuwait. (d) Estimated (for details, please see foot-note to Statement 86 of the Report for 1953-54). (e) Estimated. Figures are as on last day of the year/month. Excluding balances held in the small coin depots. Excludes balances held at treasuries also up to March 1962.

† Provisional.

## STATEMENT 84—TOTAL NOTES ISSUED (DENOMINATION-WISE)

End of March	Rs. 2		Rs. 5		Rs. 10		Rs. 100		Rs. 500		Rs. 1,000(a)		Rs. 5,000(b)		Rs. 10,000(c)		Rs. 50,000(d)		Rs. 100,000(e)		Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	(Lakhs of Rupees)					
1956 ..	31.92	2.2	176.76	11.9	609.88	41.2	591.00	39.9	551.17	3.7	9.78	0.7	6.28	0.4	1,480.80						
1957 ..	30.66	2.0	168.12	10.9	632.23	40.8	640.34	41.3	61.02	3.9	10.00	0.6	6.41	0.4	1,548.77						
1958 ..	30.38	1.9	164.37	10.3	645.58	40.5	688.30	43.2	48.77	3.1	10.01	0.6	6.38	0.4	1,593.78						
1959 ..	32.47	1.9	169.67	9.8	665.21	38.8	784.92	45.5	48.97	2.3	12.59	0.7	6.40	0.4	1,723.24						
1960 ..	26.07	1.9	184.55	9.9	729.10	39.0	841.42	45.0	52.30	2.6	13.04	0.7	13.07	0.7	1,869.74						
1961 ..	27.83	1.9	203.40	10.2	814.40	40.7	864.73	43.1	54.31	2.7	16.18	0.3	12.09	0.6	2,002.95						
1962 ..	27.38	1.8	201.71	9.6	840.42	39.9	932.91	44.3	62.82	3.0	21.73	1.0	10.09	0.5	2,107.06						
1963 ..	37.65	1.7	212.30	9.4	936.79	41.5	999.51	44.3	48.95	2.2	12.44	0.6	8.02	0.4	2,256.16						

Note: Figures are inclusive of Rs. 43 crores of India notes returned from circulation in Pakistan. In compiling the Statement, circulation of old Re. 1, Ra. 2½, Ra. 20, Ra. 50 and Ra. 500 notes and adjustments in respect of inter-office remittances are not taken into account.

(n) Relates to the new high denomination notes issued from April 1954.

## STATEMENT 85—MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN (DENOMINATION-WISE)

Hall Rupee(e)	Four Anna		Two Anna		One Anna		Half Anna (d)		Single Pice(e)		Pice		Five Naye Paise		Twenty- Five Naye Paise		Ten Naye Paise		Five Naye Paise		(Thousands of Rupees)	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
1950-51	-1,00.54	-97.31	-	60.09	-	65.54	-	3.78	+	7.73	-	7	+	3	-	-	-	-	-	-	-	-3,197.79
1955-56	+ 35.13	+ 39.81	+	11.61	+	23.74	+	6.58	+	9.69	-	7	-	3	-	-	-	-	-	-	-	+ 1,465.54
1956-57	- 16.93	+ 20.99	-	16.66	+	26.04	+	6.39	+	9.14	-	84	-	3	-	-	-	-	-	-	-	+ 45.08
1957-58	- 1.23	+ 15.47	-	1.41	+	10.22	-	10.24	-	4.91	-	64	-	14	-	+ 1,20.39	+ 66.43	+ 41.94	+ 47.60	+ 64.91		
1958-59	+ 5.37	+ 12.64	-	1.59	+	9.92	-	13.49	-	6.96	-	2	-	10	-	+ 99.35	+ 63.59	+ 30.22	+ 30.52	+ 33.33		
1959-60	+ 8.34	-	83	-	89.60	-	1.32	+	35.04	-	3.91	-	2	-	0	+ 1,01.58	+ 1,25.87	+ 69.12	+ 1,17.64	+ 1,43.46		
1960-61	+ 8.34	- 23.45	-	3.41	+	100.14	-	65.59	-	2.43	-	13	+	71.19	+ 2,85.11	+ 68.45	+ 62.26	+ 2,88.34				
1961-62	- 9.77	+ 5.37	-	53.64	-	43.47	-	9.93	-	1.31	-	14	+	2,03.37	+ 2,47.08	+ 1,83.18	+ 1,06.12	+ 51.82	+ 57.07	+ 7,377.75		
1962-63	- 48.06	- 26.42	-	18.64	-	56.99	-	5.96	-	2.38	-	14	-	+ 2,35.68	+ 1,83.08	+ 1,11.52	+ 94.26	+ 52.31	+ 57.25	+ 6,15.85		

(a) Since the inauguration of the Reserve Bank in 1935, silver Half Rupees have been included in statistics relating to small coin; includes pure nickel Half Anna introduced in May 1946. (b) Including pure nickel Four Anna introduced in May 1946. (c) Including nickel Two Anna introduced in 1917-18. (d) Nickel Half Anna introduced in January 1942. (e) Including Single Pice with a circular Pice from 1943. (f) The rise is due to remittances in transit not having been taken into account.

**STATEMENT 85—MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN  
(METAL-WISE)**

[Absorption (+) or Return (-)]

(Lakhs of Rupees)

	1950-51	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63
<b>I. Quaternary Silver Coin</b>									
8 Annas	..	..	-1,51	-61	-81	-81	-26	-2	-10
4 Annas	..	..	-1,34	-43	-65	-58	+5	-5	-23
Total	..	..	-2,85	-1,09	-1,46	-1,39	-22	-7	-33
<b>II. Nickel Coin</b>									
<b>A. Pure Nickel</b>									
8 Annas	..	..	+50	+96	+64	+80	+32	+33	+18
4 Annas	..	..	+41	+1,09	+87	+76	+9	+6	+2
50 Naya Paise	..							+71	+2,03
25 Naya Paise	..						+1,02	+2,85	+2,47
Total	..	..	+91	+2,05	+1,51	+1,56	+41	+1,41	+3,76
<b>B. Nickel-Alloy (a)</b>									
4 Annas	..	..	-4	-2	-1	-2	-2	-2	-
2 Annas	..	..	-60	+12	-10	-1,42	-1,60	-90	-3,41
1 Anna	..	..	-66	+24	+26	-68	-94	-1,33	-1,00
½ Anna	..	..	-4	+7	+6	-10	-13	-35	-47
10 Naya Paise	..					+1,20	+99	+1,26	+1,89
5 Naya Paise	..					+66	+64	+69	+1,18
2 Naya Paise	..					+42	+30	+39	+69
Total	..	..	-1,34	+41	+21	+7	-76	-26	-1,15
Total Nickel Coin (A+B)	-43	+2,46	+1,72	+1,63	-35	+1,15	+2,62	+6,88	+5,66
<b>III. Copper (b)</b>									
Single Pice	..	..	+8	+10	+19	-5	-7	-4	-2
Half Pice	..	..	-	-	-1	-1	-	-	-
Pie	..	..	-	-	-	-	-	-	-
1 Naya Paise	..					+48	+31	+40	+62
Total	..	..	+8	+10	+18	+42	+24	+36	+60
<b>IV. Total Small Coin (c)</b>	<b>..</b>	<b>-3,20</b>	<b>+1,47</b>	<b>+45</b>	<b>+65</b>	<b>-33</b>	<b>+1,43</b>	<b>+2,83</b>	<b>+7,38</b>
									-6,16

(a) Cupro-nickel and nickel-brass coins. (b) Including bronze coins. (c) Including negligible amounts of standard silver small coins returned from circulation.

**STATEMENT 87—MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN  
(CIRCLE-WISE)**

[Absorption (+) or Return (-)]

(Thousands of Rupees)

	Bangalore	Bombay	Calcutta	Kanpur	Madras	Nagpur	New Delhi	Total
1950-51		- 32,43	- 1,51,36	- 1,14,13	+ 91		- 22,78	- 3,19,79
1955-56		+ 94,03	+ 25,94	- 11,14	+ 35,28		+ 2,53	+ 1,46,54
1956-57	- 4,07	+ 47,24	+ 3,35	- 36,20	+ 22,01	+ 10,95	+ 1,80	+ 45,08
1957-58	+ 5,91	+ 93,08	+ 12,69	- 41,57	+ 8,34	- 21,31	+ 7,77	+ 64,91
1958-59	+ 10,81	+ 42,76	-- 53	- 35,69	- 36,49	- 27,33	+ 15,14	- 33,33
1959-60	+ 19,35	+ 76,72	+ 17,90	- 24,10	+ 16,86	+ 27,42	+ 9,31	+ 1,43,46
1960-61	+ 27,19	+ 1,27,28	+ 1,02,71	- 17,36	+ 22,96	+ 15,63	+ 9,93	+ 2,88,34
1961-62	+ 59,50	+ 1,66,64	+ 2,26,32	+ 29,34	+ 1,21,63	+ 58,78	+ 75,54	+ 7,37,75
1962-63	+ 34,59	+ 1,81,76	+ 1,85,31	+ 49,71	+ 47,09	+ 45,68	+ 71,71	+ 6,15,85

**STATEMENT 88—LOST, DESTROYED AND MUTILATED NOTES,  
1962-63**

	No. of claims admitted	No. of pieces	Amount of claims admitted Rs.	Amount paid against claims(a) Rs.
Lost or wholly destroyed notes	..	1	100	1,33,000
Half notes	..	..	—	—
Mutilated notes:				
Registered (Denominations above Rs 100)	96	203	7,14,000	7,12,000
Unregistered (Denominations of Re 1 to Rs. 100)	1,09,876	{ 6,07,376    55,53,651	47,75,712	
Government of India new one rupee notes		{ 8,73,115    8,61,105	7,94,631	

(a) Includes amount paid during 1962-63 in respect of claims admitted in previous years.

## STATEMENT 89—NOTE FORGERIES (a)

	Re. 1 (Govern- ment of India notes)	Rs. 2	Rs. 5	Rs. 10	Rs. 100	Total	
						Number	Value Rs.
1950-51	..	2,400	84	1,676	2,783	182	7,125
1955-56	..	6,136	152	813	2,220	175	9,496
1956-57	..	3,006	88	834	6,644	3,380	13,952
1957-58	..	1,199	273	629	3,238	131	5,470
1958-59	..	1,769	540	673	2,272	235	5,489
1959-60	..	985	416	1,118	1,520	535	4,574
1960-61	..	391	607	241	878	277	2,394
1961-62	..	1,057	637	232	951	238	3,115
1962-63	..	502	890	226	343	263	2,224

(a) Relates to notes received during the year.

STATEMENT 90—PROSECUTIONS ON ACCOUNT OF  
NOTE FORGERIES

	Fresh prosecu- tions	Pending at the end of the pre- vious year	Total Trials	Discharges	Convictions	Pending
1950-51	..	48	43	91	38	28
1955-56	..	47	30	77	14	12
1956-57	..	40	51	91	14	13
1957-58	..	45	64	109	40	16
1958-59	..	54	53	107	27	21
1959-60	..	53	59	112	31	32
1960-61	..	44	49	93	28	25
1961-62	..	51	40	91	11	26
1962-63	..	42	54	96	28	15

**STATEMENT 91—MINTAGE OF INDIA RUPEES (a) AND SMALL COIN**

	Bombay	Small Coin			Total
		Hyderabad	Alipore		
1950-51	"	1,08	—	5	1.12
1955-56	"	—	—	—	2.55
1956-57	"	—	—	8	2.60
1957-58	"	—	—	15	3.89
1958-59	"	—	—	15	1.99
1959-60	"	—	—	18	5.72
1960-61	"	—	—	20	3.13
1961-62	"	—	—	20	4.02
1962-63	"	—	—	43	5.63
		4.38	50	4.80	5.77
				5.37	19.25

(a) Pure Nickel Whole Rupees were minted in 1910-51 in Bombay Mint of the value of Rs 2,80 Lakhs and in 1961-62, in Alipore Mint of the value of Rs 2.40 lakhs. Pure nickel decimal three coins of the value of Rs 33 lakhs were minted in Alipore Mint in 1962-63.

**STATEMENT 92—MINTAGE OF INDIA COINS BY DENOMINATIONS, 1962-63**

Denomination	Bombay	Hyderabad			Alipore	Total
		Number	Value Rs.	Number	Value Rs.	
Pure Nickel Decimal Rupee	"	—	—	—	—	33,42
" " 50 Naya Pesa	"	2,78,00	1,39,00	—	3,90,20	33,42
" " 25 "	"	2,85,20	71,30	—	1,93,10	6,68,20
Cupro-Nickel 10 "	"	12,58,70	1,25,87	1,50,75	5,93,44	3,24,10
" " 5 "	"	11,68,50	58,43	3,43,55	8,73,10	2,19,66
" " 2 "	"	11,59,50	23,19	—	10,73,35	22,84,55
Bronze One Naya Pesa	"	—	—	—	53,67	2,28,46
Nickel Brass One Naya Pesa	"	20,44,00	20,44	63,20	17,55,15	25,85,40
Total	"	61,93,90	4,38,23	22,42,40	49,74	1,29,27
					5,70,71	29,14,65
						58,29
						10,56,10
						44,80,60
						44,91
						149,11,56
						10,58,67

**STATEMENT 93—WITHDRAWAL OF SILVER, CUPRO-NICKEL  
AND COPPER COINS, 1962-63**

(In Rupees)

I. Uncurrent Coin	Amount withdrawn
<i>Silver Rupees</i>	
Standard Silver Rupee Coins .. .. .. .. .. .. .. ..	1,933.00
Other uncurrent rupee coin (shroff marked, soldered etc.) .. .. .. .. .. .. .. ..	884.25
<i>Small Silver Coins</i>	
Silver $\frac{1}{2}$ Rupees .. .. .. .. .. .. .. ..	10.50
Silver $\frac{1}{4}$ Rupees .. .. .. .. .. .. .. ..	3.50
Silver $\frac{1}{8}$ Rupees .. .. .. .. .. .. .. ..	1.88
<i>Nickel and Nickel-Alloy Coins (b)</i>	
Cupro-Nickel 1/2-pieces (a) .. .. .. .. .. .. .. ..	50,78,995.25
Cupro-Nickel 1/4-pieces (a) .. .. .. .. .. .. .. ..	16,23,494.84
<i>Copper and Bronze Coins (c)</i>	
Half Pice .. .. .. .. .. .. .. ..	57.50
Pie Pieces .. .. .. .. .. .. .. ..	320.35
Total of Uncurrent Coins .. .. .. .. .. .. .. ..	67,05,702.07
 II. Current Coins	
<i>Quaternary Silver Coins</i>	
Quaternary Whole Rupees .. .. .. .. .. .. .. ..	37,37,312.00
Quaternary Half Rupees .. .. .. .. .. .. .. ..	30,54,133.50
Quaternary Quarter Rupees .. .. .. .. .. .. .. ..	18,52,302.75
<i>Nickel and Nickel-Alloy Coins</i>	
Nickel Rupees .. .. .. .. .. .. .. ..	1,63,50,500.00
Nickel $\frac{1}{2}$ Rupees .. .. .. .. .. .. .. ..	3,84,710.50
Nickel $\frac{1}{4}$ Rupees .. .. .. .. .. .. .. ..	4,19,063.75
Cupro-Nickel 1/16-pieces (a) .. .. .. .. .. .. .. ..	66,77,047.06
Pure Nickel 50 Naye Paise .. .. .. .. .. .. .. ..	10,000.00
Pure Nickel 25 Naye Paise .. .. .. .. .. .. .. ..	19,002.25
Cupro-Nickel 10 Naye Paise .. .. .. .. .. .. .. ..	16,463.40
Cupro-Nickel 5 Naye Paise .. .. .. .. .. .. .. ..	11,310.00
Cupro-Nickel 2 Naye Paise .. .. .. .. .. .. .. ..	5,582.00
<i>Copper and Bronze Coins</i>	
Double Pice .. .. .. .. .. .. .. ..	5.00
Single Pice .. .. .. .. .. .. .. ..	3,31,879.56
1 Naya Paisa .. .. .. .. .. .. .. ..	9,600.00
Total of Current Coin .. .. .. .. .. .. .. ..	3,28,78,916.77

(a) Includes withdrawn nickel-brass coins. Nickel-brass Two Anna coin was demonetised with effect from 1st January 1959 vide Government of India Notification No. S.O. 1437 dated 18th July 1958. Nickel-brass One Anna and Half Anna coins were demonetised with effect from 1st January 1960 vide Government of India Notification No. S.O. 1374 dated 15th June 1959. (b) Demonetised with effect from 1st October 1960 vide Government of India Notification No. F.2/4)—C&C 60 dated 2nd March 1960. (c) Demonetised with effect from 1st January 1959 vide Government of India Notification No. S.O. 1437 dated 18th July 1958.

**STATEMENT 94—NUMBER OF COUNTERFEIT COINS CUT AT TREASURIES  
AND RAILWAY STATIONS**

	1950-51	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63		
<b>Silver Coins</b>											
Rupee	..	9,200	5,056	5,587	5,240	4,109	4,010	2,060	1,430	558	
Half Rupee	..	8,252	4,214	4,380	3,472	3,816	5,283	2,403	1,542	671	
Quarter Rupee		13,642	4,671	4,139	5,020	6,789	5,550	2,515	992	667	
One-eighth Rupee		4	—	—	—	—	—	—	—	—	
	<b>Total</b>	<b>31,093</b>	<b>14,141</b>	<b>14,106</b>	<b>13,732</b>	<b>14,714</b>	<b>14,843</b>	<b>6,978</b>	<b>4,014</b>	<b>1,896</b>	
<b>Nickel and Copper Coins</b>											
Rupee	..	4,429	3,637	5,879	6,015	7,428	5,960	2,060	2,981	2,778	
Half Rupee	..	12,886	5,438	7,517	8,021	10,682	12,504	10,626	14,103	12,396	
Quarter Rupee		23,073	8,010	8,168	8,607	10,707	8,340	11,071	4,302	4,261	
Two Anna	..	1,70,327	1,24,845	1,58,815	2,92,465	10,14,326	2,89,144	1,83,667	47,835	37,098	
One Anna	..	23,820	8,430	11,241	16,252	80,378	1,91,882	40,787	9,696	9,635	
Half Anna	..	1,771	1,356	607	1,479	4,746	24,070	12,824	1,173	1,098	
Single Pice	..	—	—	—	—	—	378	10	20	675	
Fifty Naya Paisa								15	1,102	1,979	
Twenty-five Naya Paisa							147	580	761	1,983	
Ten Naya Paisa					21	96	4,890	160	97	676	
Five Naya Paisa					5	22	264	14	9	101	
Two Naya Paisa					3	1	1	—	2	32	
One Naya Paisa					—	—	30,225	17	10	146	
	<b>Total</b>	<b>..</b>	<b>2,36,306</b>	<b>1,51,518</b>	<b>1,92,227</b>	<b>3,34,868</b>	<b>11,28,386</b>	<b>5,67,805</b>	<b>2,61,831</b>	<b>82,091</b>	<b>72,858</b>

## STATEMENT 95—DESCRIPTION OF COINS IN ACTIVE CIRCULATION AT THE END OF MARCH 1963

Denomination	Gross weight	Composition (Proportion of metals)	Diameter	Edge	Shape
Quaternary Alloy Rupee	180 Grams	Silver 50 per cent and rest base metal	1.2"	{ Milled and security edged	Round coin
" " Half Rupee	90 "	"	0.95"	"	"
" " Quarter Rupee	45 "	"	0.75"	"	"
Pure Nickel Rupee (a)	180 "	Nickel 100 per cent	1.1"	Milled	"
" " Half Rupee (a)	90 "	"	0.95"	"	"
" " Quarter Rupee (a)	45 "	"	0.75"	"	"
Cupro-Nickel 1/4 Anna	10.5 "	75 per cent Copper and 25 per cent Nickel	{ 0.925" Across flats { Maximum corners 0.775" Minimum }	Plain	Scalloped coin
" " One Anna	60 "	"	"	"	Round coin
Copper Double Pice	200 "	100 per cent Copper	1.21"	"	"
" " Single Pice	100 "	"	1.00"	"	"
Bronze (b) Single Pice	75 "	97 per cent Copper, 2½ per cent Zinc and ½ per cent Tin	1.00"	"	"
" " " "	60 "	"	0.84"	"	"
" " " "	45 "	"	0.84"	"	"
" " " "	30 "	"	0.84"	"	"
DECIMAL COINS (a)					
Pure Nickel Decimal Rupee coin	10.00 Grams	Nickel 100 per cent	23 Millimetres	{ Milled and security edged	Round coin
Pure Nickel Fifty Naya Paisa	5.00 "	"	2.4	Milled	"
" " Twenty-five Naya Paisa	2.50 "	"	1.9	"	"
Cupro-Nickel Ten Naya Paisa	5.00 "	75 per cent Copper and 25 per cent Nickel	2.3	Plain	Scalloped coin
" " Five Naya Paisa	4.00 "	"	2.2	"	Square coin with round corners
" " Two Naya Paisa	3.00 "	97 per cent Copper, 2½ per cent Zinc and ½ per cent Tin	1.8	"	Scalloped coin
Bronze One Naya Paisa	1.50 "	78 to 83 per cent Copper, 17 to 20 per cent Zinc and 9/10ths to 1-4/10ths per cent Nickel	1.6	"	Round coin
Nickel-Brass One Naya Paisa	1.50 "	"	1.6	"	"

(a) These coins are being currently issued; the issue of the remaining coins has been discontinued. (b) The proportion of alloy for bronze coin was 95 per cent copper, 4 per cent tin and 1 per cent zinc upto 1st February 1936; it was 95.5 per cent copper, 3 per cent tin and 1.5 per cent zinc from 1st February 1936 to the end of 1942; it has been in the proportion of copper 97 per cent, tin 0.5 per cent and zinc 2.5 per cent from 1st April 1943 to date.

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